



PUBLIC PAPERS  
OF THE  
PRESIDENTS



Ronald  
Reagan

1986



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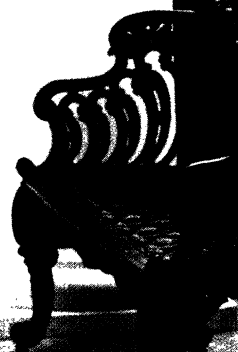
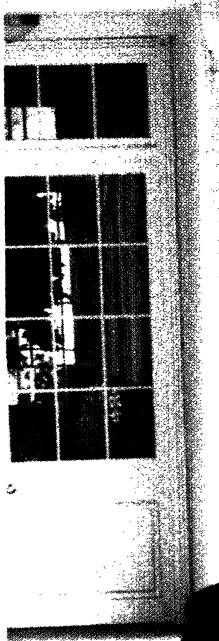
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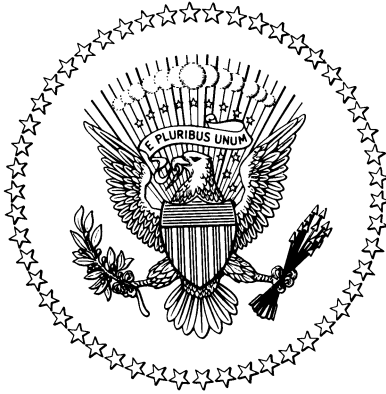






PUBLIC PAPERS OF THE PRESIDENTS  
OF THE  
UNITED STATES

# Ronald Reagan



1986

(IN TWO BOOKS)

BOOK I—JANUARY 1 TO JUNE 27, 1986



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## *Foreword*

In these pages is found the story of the Presidency in the opening months of 1986 and the most important public statements of national policy in that period. Here you will find the documentary record of the firm stand of the United States against state-sponsored terrorism; our support for the struggle of the democratic resistance in Nicaragua; the progress of our free-market policies for economic growth here at home; and other critical issues. There are accounts here as well of my numerous meetings with foreign leaders, meetings that mark our vigorous efforts—culminating at the Tokyo Economic Summit—to fight terrorism and promote democracy and economic growth around the world.

It is always difficult to assess the historical impact of events as they happen; to see things now as they will be seen by future historians. But I do believe historians will see the consensus reached at the Tokyo summit, our military support for the democratic resistance in Nicaragua, and our emphasis on free markets as important markers—markers on the world journey away from menaces like terrorism, nuclear war, and totalitarianism, and towards a future of peace and worldwide freedom.

*Ronald Reagan*



## *Preface*

This book contains the papers and speeches of the 40th President of the United States that were issued by the Office of the Press Secretary during the period January 1–June 27, 1986. The material has been compiled and published by the Office of the Federal Register, National Archives and Records Administration.

The material is presented in chronological order, and the dates shown in the headings are the dates of the documents or events. In instances when the release date differs from the date of the document itself, that fact is shown in the textnote. Every effort has been made to ensure accuracy: Remarks are checked against a tape recording, and signed documents are checked against the original. Textnotes, footnotes, and cross references have been provided by the editors for purposes of identification or clarity. Speeches were delivered in Washington, DC, unless indicated. The times noted are local times. All materials that are printed full-text in the book have been indexed in the subject and name indexes.

The Public Papers series was begun in 1957 in response to a recommendation of the National Historical Publications Commission. An extensive compilation of messages and papers of the Presidents covering the period 1789 to 1897 was assembled by James D. Richardson and published under congressional authority between 1896 and 1899. Since then, various private compilations have been issued, but there was no uniform publication comparable to the Congressional Record or the United States Supreme Court Reports. Many Presidential papers could be found only in the form of mimeographed White House releases or as reported in the press. The Commission therefore recommended the establishment of an official series in which Presidential writings, addresses, and remarks of a public nature could be made available.

The Commission's recommendation was incorporated in regulations of the Administrative Committee of the Federal Register, issued under section 6 of the Federal Register Act (44 U.S.C. 1506), which may be found in Title I, Part 10, of the Code of Federal Regulations.

A companion publication to the Public Papers series, the Weekly Compilation of Presidential Documents, was begun in 1965 to provide a broader range of Presidential materials on a more timely basis to meet the needs of the contemporary reader. Beginning with the administration of Jimmy Carter, the Public Papers series expanded its coverage to include all material as printed in the Weekly Compilation. That coverage provides a listing of the President's daily schedule and meetings, when announced, and other items of general interest issued by the Office of the Press Secretary. Also included are lists of the President's nominations submitted to the Senate, materials released by the Office of the Press Secretary that are not printed full-text in the book, and acts approved by the President. This information appears in the appendixes at the end of the book.

Volumes covering the administrations of Presidents Hoover, Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, and Carter are also available.

The Chief Editor of this book was William King Banks, assisted by Gary L. Posselt and E.B. Swidal.

White House liaison was provided by Marlin Fitzwater, Assistant to the President for Press Relations. The frontispiece and photographs used in the portfolio were supplied by the White House Photo Office.

John E. Byrne  
*Director of the Federal Register*

Don W. Wilson  
*Archivist of the United States*

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Administration of Ronald Reagan

1986





## New Year's Messages of President Reagan and Soviet General Secretary Gorbachev

*January 1, 1986*

### *President Reagan's Address*

Good evening. This is Ronald Reagan, President of the United States of America.

I'm pleased to speak to you on the occasion of the New Year. This is a time for reflection and for hope. As we look back on the year just concluded and on the year that is to come, I want to share with you my hopes for the New Year, hopes for peace, prosperity, and good will that the American and Soviet people share.

Just over a month ago, General Secretary Gorbachev and I met for the first time in Geneva. Our purpose was to begin a fresh chapter in the relations between our two countries and to try to reduce the suspicions and mistrust between us. I think we made a good beginning. Mr. Gorbachev and I spent many hours together, speaking frankly and seriously about the most important issues of our time: reducing the massive nuclear arsenals on both sides, resolving regional conflicts, ensuring respect for human rights as guaranteed under international agreements, and other questions of mutual interest. As the elected representative of the American people, I told Mr. Gorbachev of our deep desire for peace and that the American people do not wish the Soviet people any harm.

While there were many areas which we did not agree, which was to be expected, we left Geneva with a better understanding of one another and of the goals we each have. We are determined to build on that understanding in the coming months and years. One of the most important things on which we agreed was the need to reduce the massive nuclear arsenals on both sides. As I have said many times, a nuclear war cannot be won and must never be fought; therefore, we agreed to accelerate negotiations where there is common ground to reduce and eventually eliminate the means

of nuclear destruction.

Our negotiators will soon be returning to the Geneva talks on nuclear and space arms, where Mr. Gorbachev and I agreed we will seek agreements on the principle of 50-percent reductions in offensive nuclear arms and an interim agreement on intermediate-range nuclear systems. And it's my hope that one day we will be able to eliminate these weapons altogether and rely increasingly for our security on defense systems that threaten no one. Both the United States and Soviet Union are doing research on the possibilities of applying new technologies to the cause of defense. If these technologies become a reality, it is my dream that, well, to one day free us all from the threat of nuclear destruction.

One of the best ways to build mutual understanding is to allow the American and Soviet peoples to get to know one another better. In Geneva we signed a new agreement to exchange our most accomplished artists and academics. We also agreed to expand the contacts between our peoples so that students, teachers, and young people can get to know each other directly. If people in both countries can visit, study, and work together, then we will strengthen the bonds of understanding and build a true foundation for lasting peace.

I also discussed the American people's strong interest in humanitarian issues. Our democratic system is founded on the belief in the sanctity of human life and the rights of the individual—rights such as freedom of speech, of assembly of movement, and of worship. It is a sacred truth to us that every individual is a unique creation of God, with his or her own special talents, abilities, hopes, and dreams. Respect for all people is essential to peace, and as we agreed in Geneva, progress in resolving humanitarian

issues in a spirit of cooperation would go a long way to making 1986 a better year for all of us.

A safe and lasting peace also requires finding peaceful settlements to armed conflicts, which cause so much human suffering in many parts of the world. I have proposed several concrete steps to help resolve such conflicts. It is my hope that in 1986 we will make progress toward this end. I see a busy year ahead in building on the foundations laid in Geneva. There is much work to be done. Mr. Gorbachev will visit the United States later this year, and I look forward to showing him our country. In 1987 I plan to visit your country and hope to meet many of you.

On behalf of the American people, I wish you all a happy and healthy New Year. Let's work together to make it a year of peace; there is no better goal for 1986 or for any year. Let us look forward to a future of *chistoye nyebo* [blue skies] for all mankind. Thank you, *spasibo*.

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#### *General Secretary Gorbachev's Address*

##### *Dear Americans:*

I see a good augury in the way we are beginning the New Year, which has been declared the Year of Peace. We are starting it with an exchange of direct messages, President Reagan's to the Soviet people and mine to you. This, I believe, is a hopeful sign of change which, though small, is nonetheless a change for the better in our relations. The few minutes that I will be speaking to you strike me as a meaningful symbol of our mutual willingness to go on moving toward each other, which is what your President and I began doing at Geneva. For a discussion along those lines, we had the mandate of our peoples. They want the constructive Soviet-American dialog to continue uninterrupted and to yield tangible results.

As I face you today, I want to say that Soviet people are dedicated to peace, that supreme value equal to the gift of life. We cherish the idea of peace, having suffered for it. Together with the pain of unhealing wounds and the agony of irretrievable losses, it has become part and parcel of our

flesh and blood. In our country there is not a single family or a single home that has not kept alive the memory of their kith and kin who perished in the flames of war, the war in which the Soviet and American peoples were allies and fought side by side.

I say this because our common quest for peace has its roots in the past, and that means we have a historic record of cooperation which can today inspire our joint efforts for the sake of the future. The many letters I have received from you and my conversations with your fellow countrymen—Senators, Congressmen, scientists, businessmen, and statesmen—have convinced me that in the United States, too, people realize that our two nations should never be at war, that a collision between them would be the greatest of tragedies.

It is a reality of today's world that it is senseless to seek greater security for oneself through new types of weapons. At present, every new step in the arms race increases the danger and the risk for both sides and for all humankind. It is the forceful and compelling demand of life itself that we should follow the path of cutting back nuclear arsenals and keeping outer space peaceful. This is what we are negotiating about at Geneva, and we would very much like those talks to be successful this year.

In our efforts for peace, we should be guided by an awareness of the fact that today history has willed our two nations to bear an enormous responsibility to the peoples of our two countries and, indeed, the peoples of all countries for preserving life on Earth. Our duty to all human kind is to offer it a safe prospect of peace, a prospect of entering the third millenium without fear. Let us commit ourselves to doing away with the threat hanging over humanity. Let us not shift that task onto our children's shoulders.

We can hardly succeed in attaining that goal unless we begin saving up, bit by bit, the most precious capital there is: trust among nations and peoples. And it is absolutely essential to start mending the existing deficit of trust in Soviet-American relations. I believe that one of the main results of my meeting with President Reagan is that, as leaders and as human beings, we were able

to take the first step towards overcoming mistrust and to activate the factor of confidence. The gap dividing us is still wide, to bridge it will not be easy, but we saw in Geneva that it can be done. Bridging that gap would be a great feat, a feat our people are ready to perform for the sake of world peace.

I am reminded of the title of a remarkable work of American literature, the novel "The Winter of Our Discontent." In that phrase let me just substitute hope for discontent. And may not only this winter but every season of this year and of the years to come be full of hope for a better future, a hope that, together, we can turn into reality. I can assure you that we shall spare no effort in working for that. For the Soviet people, the year 1986 marks the beginning

of a new stage in carrying out our constructive plans. Those are peaceful plans. We have made them known to the whole world.

I wish you a happy New Year. To every American family I wish good health, peace, and happiness.

*Note: The President's remarks were recorded at 9:18 a.m. on December 28 in the Cypress Room at the Century Plaza Hotel in Los Angeles, CA, for television broadcast in the Soviet Union at 1 p.m. on January 1. As printed here, General Secretary Gorbachev's address, which was televised simultaneously in the United States, follows the unofficial Soviet translation contained in the White House press release.*

## Written Responses to Questions Submitted by Noticias de Mexico January 2, 1986

### *Mexico-U.S. Relations*

*Q.* The United States and Mexico are geographically joined without possibility of divorce. In your opinion, what are the advantages of such a relationship for the U.S.A.? What are the problems?

*The President.* I believe the advantages and disadvantages are the same for Mexico as they are for the United States. Two countries as closely joined as ours affect each other greatly. Mexico's problems are felt in the United States, and the problems of the United States are felt in Mexico. But the reverse is also true; we share in your successes and good fortune, and you share in ours. Our proximity to each other is a fact of life. It creates a relationship that is different from our relationship with any other countries. I believe our relationship today is as good as it is because, as neighbors, we cannot afford not to cooperate. That means we must quickly overcome any differences that exist, because an inability to cooperate is harmful to both our countries. From that point, we have built a relationship that is mature and mutually respectful.

*Q.* Early in January you will meet Presi-

dent Miguel De la Madrid for a conference considered normal and regular between the Presidents of neighboring countries. What do you expect of this meeting and of our nation's future relations with Mexico?

*The President.* You are right; these meetings are normal and regular. For close neighbors like Mexico and the United States, whose relationship is so complex, it is important for heads of state to have a close working relationship. This has certainly been the case with President De la Madrid and me. When a relationship such as the one between the U.S. and Mexico exists, a relationship in which there is constant communication at all levels on many subjects, progress is made continuously. President De la Madrid and I meet regularly to discuss the most important matters and to exchange views directly so that we are better able together to direct the course of our relationship. In other words, what I expect to come of this meeting is a further strengthening and deepening of our relationship and greater cooperation on the issues that concern us most. I expect our relations with Mexico to continue to im-

prove in the future, and I see no reason why they cannot. Our relationship is a model of what two countries can accomplish if they respect each other's sovereignty and are determined to cooperate on areas of mutual interest.

*Q.* Because of its proximity, Mexico has an important bearing on the national security and geopolitical concerns of the U.S. Government. How serious are U.S. concerns over differences in foreign policy—mainly in Central America—and how do they influence U.S. attitudes and the relationship with Mexico?

*The President.* Our relationship with Mexico is complex, as complex as our relationship with any other important country such as the United Kingdom, France, or Japan. We are constantly working to overcome our disagreements wherever possible and to improve our relationship in the other areas. In the case of Central America, there are differences of opinion between our two governments, although these differences are not as great as they are often portrayed in the press and by some individual analysts. We are in frequent communication with the Mexican Government about Central America. It is important to both our countries. Even if we do not reach complete agreement, it is crucial that we understand each other's point of view and maintain our ability to discuss our points of view openly and honestly, as two friendly, sovereign, mature nations. I should stress, however, that our experience shows that it is possible to work constructively together on a wide array of other problems despite our differences. We certainly would not want actions to be taken because of our differences over Central America; that would impair other aspects of our relationship. Our relationship is, after all, based on many important issues, not just one.

*Q.* Because of its effect on the economy and immigration, the border between Mexico and the U.S. is of great concern to both countries. How could those concerns be resolved? How do you propose to address this issue?

*The President.* Those concerns are best managed by clear and frequent communication at all levels between our two governments. This process begins with my regular

consultations with President De la Madrid, a man with whom I have developed a very close and personal working relationship. We have a binational commission which meets regularly under the chairmanship of the United States Secretary of State and the Mexican Secretary of Foreign Relations. In addition, cabinet members from both of our governments have regular meetings with their counterparts to deal with problems affecting both sides of the border. The inter-parliamentary exchange between our two legislatures provides a means for our lawmakers to discuss these common problems as well. The International Boundary and Water Commission maintains a constant dialog aimed at promoting equitable use of water resources along the border. And progress is being made to implement the Border Environmental Cooperation Agreement which President De la Madrid and I signed in 1983. The issues posed by our common border are many faceted and require continuous attention; no single solution or formula will address all of these facets or necessarily produce a permanent solution. It is only by continuing to work on each individual aspect of the issues created by our common border, using the many channels for cooperative and constructive discussion, that we can deal effectively with them.

*Q.* The border between the U.S. and Mexico is more than national. It represents a division between an advanced nation and Third World countries, between Anglo-Saxons and Latinos, between different cultures and political systems. How can the United States use this border to minimize its differences with Mexico and the rest of Latin America?

*The President.* The border has already helped to minimize the differences between our two cultures. On both sides of the border one sees an impressive cultural cross-fertilization that is helpful in building mutual understanding. This is happening largely outside of government; it is a phenomenon that is being carried out by the Mexican and American peoples, by universities in the area which promote study and research, by businesses which forge commercial and cultural ties, and by private

foundations and voluntary institutions. Their efforts help us become better neighbors and make it easier to resolve border problems which may arise between our countries.

*Q.* The U.S. and Mexico share a strong trade relationship, especially important to Mexico. However, protectionist trends in the United States could deeply affect this relationship. How far are you prepared to go in your opposition to protectionism? Would Mexico's acceptance of GATT principles become useful in its relations with the U.S.?

*The President.* I am personally committed to free and fair trade and to fighting protectionist trends in the United States. The position of my administration has been made clear by several decisions to oppose protectionist measures, such as my recent veto of a measure which would have restricted imports of footwear, textiles, and copper. Certainly, Mexican entry to the GATT will be a potent weapon to use against the forces of protectionism, because it is a sure and clear sign that Mexico wants fair treatment for its exports and is willing to treat other countries' exports in a fair manner, according to established international standards. The United States is the world's most accessible market. We are the world's freest trading nation. Most Americans want free trade, but Americans also want to be assured that our exports, on which many Americans depend for their livelihood, are treated fairly in foreign markets.

#### *International Debt Crisis*

*Q.* The debt problem in developing countries is far from being solved. This problem also touches your country, even in a different manner. What solutions are you considering? How could the debtor countries' burden be eased without sacrificing their prospects for development?

*The President.* We are very concerned about the debt burden of developing countries, particularly in this hemisphere, and we want to help those developing countries grow. We have outlined our approach in the Program for Sustained Growth put forward in Seoul by Secretary [of the Treasury] Baker. That plan emphasizes economic adjustment and new lending to assist

growth and flexibility on the part of the international financial system. The aim of this plan is precisely to use development and growth as a means of dealing with debt and improving the well-being of people in developing countries.

The instruments exist within the international financial system to help developing countries overcome their debt problems. It will not be easy. In the end, the question is not only "What are the industrialized countries willing to do?" That is only half the question. One must also ask, "Are the developing countries willing to make the difficult decisions necessary to adjust their economies so that real and balanced economic growth can be established and sustained?" Developed and developing countries must cooperate, and each must do its part. I would like to say that the Government of Mexico has shown that it has the strength and courage to confront these difficult economic problems. We are impressed with the measures Mexico has taken. Perseverance in implementing sound economic policies is essential to restore economic growth and development. We are also committed to doing all we can within the international financial system to help find solutions to the debt crisis and reinforce the serious efforts made by Mexico and other countries. In the end, we will resolve this crisis together.

#### *Soviet Role in the Western Hemisphere*

*Q.* As a result of your dialog with Secretary General Gorbachev and your hope for peaceful competition after the Geneva summit, U.S. relations with the U.S.S.R. may improve. How could this spirit of Geneva be implemented in this hemisphere, specifically with Mexico, Central America, and the Caribbean?

*The President.* The spirit of Geneva could very easily be implemented in this hemisphere if the Soviet Union would cease its support of groups who are attempting to establish Communist dictatorships in the Americas. This is an issue that deeply affects not only the United States but all American democracies. The hand of the Soviet Union and its Cuban surrogate can be found behind terrorist movements such

as the M-19 in Colombia, the AVC in Ecuador, and of course the FMLN in El Salvador, among others. It is behind the Nicaraguan Government's subversion of its democratic neighbors. And the link between the governments of such Soviet allies as Cuba and Nicaragua and international narcotics trafficking and terrorism is becoming increasingly clear. These twin evils, narcotics trafficking and terrorism, represent the most insidious and dangerous threats to the hemisphere today. This hemisphere is truly the cradle of democracy. Communism is an unwanted, foreign ideology. The Soviets realize that it will never be established by choice in this hemisphere, so they resort to subversion and support for terrorism. Their malevolent activities in this hemisphere affect our bilateral relations with them. If they truly seek improved relations with the United States, one way to achieve that goal would be to end those activities.

#### *Nicaragua*

*Q.* The growing problems between the United States and Nicaragua are introducing increased tensions in Central America, despite efforts of the Contadora process. To what extent are you prepared to assist the Contadora nations in reaching a peaceful solution there? Would you reopen bilateral negotiations with Nicaragua if the Contadora nations called for this action?

*The President.* We fully support the efforts of the Contadora nations to achieve a comprehensive and verifiable implementation of the Contadora Document of Objectives. We have repeatedly stated that we would fully respect any such agreement arising from the Contadora process. During nine rounds of bilateral talks with the Sandinista government, we tried to help advance the Contadora process. We concluded, however, that the Sandinistas were using the talks to undermine Contadora. In our view, the most fundamental issue in the region is national reconciliation. There will be no lasting peace without democratic national reconciliation. To encourage national reconciliation, we have told the Sandinistas that we will resume bilateral talks when they accept the March 1985 proposal of the democratic resistance for a church-mediated dialog, cease-fire, and a suspension of the state of emergency. The proposal of the opposition is a reasonable one. But the Sandinistas do not seek reconciliation; they seek the consolidation of a Communist dictatorship. That is why they refuse to talk to the democratic resistance. That is why they have attempted to crush the church, the free press, free labor, business, and any political dissent within Nicaragua. And that is why they have attempted to sabotage the Contadora talks, which are now suspended at the insistence of the Sandinista government.

### Remarks at El Centro Naval Air Station, California January 3, 1986

Ladies and gentlemen, I can't tell you what this welcome means to me. And I know so many that had a hand in it—all of you here at the El Centro naval facility, members of the Navy League, and the Fleet Reserve Association. I'd like to say a special greeting, also, to Congressman Duncan Hunter and Mika Camarena, whose husband gave his life for all of us in the fight against the drug traffic. And my thanks to the Holtville Band. I think you're well known to some of them here.

Well, this is, as I say, a very great welcome. I know that the El Centro naval facility is not only a great training center here for all of our Navy pilots but is the winter home of the Blue Angels, host to the Royal Air Force Falcons. There's only one thing, as an old ex-horse cavalryman: How come this Navy facility is out here in the desert? May I just say to all of you—and I know that time is of the essence and I must get in this and cross the border—may I just say that of all the things that one can find to be

proud of in a position such as mine, nothing has made me more proud than the men and women in uniform in our Armed Forces. God bless you all. And every time I read some things like Mr. Qadhafi sounding off the way he does, I just think to myself about all of you, and I can't be bothered with Mr. Qadhafi.

But again, God bless you all. Thank you

all for being out here. This is very heart-warming. I'm most grateful. Thank you.

*Note: The President spoke at 10:01 a.m. at Hangar 4 of the naval air station, before departing for his meeting with President De la Madrid Hurtado in Mexicali, Mexico. In his closing remarks, he referred to Libyan Chief of State Mu'ammar Qadhafi.*

## Remarks at the Welcoming Ceremony in Mexicali, Mexico January 3, 1986

President De la Madrid, distinguished guests, and citizens of Mexico, it is a special privilege for me to begin my new year with you. As one year becomes another, we're reminded of those meaningful items in our lives that remain constant even through the passage of time. I think we can all be grateful, on both sides of the border, for one thing that has remained constant over these many years: the good will between our peoples. Good relations have been part of our past; they are an important part of our present; and will most assuredly be part of our future.

The trust and cooperation between our two countries are mirrored in the solid personal and professional relationship President De la Madrid and I have developed. I have met with him on three occasions, and the telephone line between Mexico City and Washington, DC, has been kept busy with our calls.

I'm looking forward to our meeting today; we have much to discuss. The economies of our countries are already closely linked. As we prepare for a better future, we should explore new ways of improving the well-being of both our peoples by enhancing the business, trade, and financial ties that bind us. In our relationship, clearly, we help ourselves by helping each other. I also look forward to discussing with you, President De la Madrid, other areas of

mutual concern and cooperation. The good and decent people of both our countries have made a strong commitment to fight the scourge of narcotics and drug trafficking. This battle continues. Issues of regional and global peace are of intense interest to us both, as is the expansion of democracy in this hemisphere. Cross-border environmental questions are important. As one would expect of close neighbors, we have much to talk about. As one would expect between friends, I am certain our exchange will be in the spirit of mutual respect and understanding.

Citizens of Mexico and the United States share a very human relationship. This was never clearer than when earthquakes savaged your country a few months ago. The heart of the American people went out to you. My wife, Nancy, returned home from visiting the devastation with stories of the quiet dignity and perseverance displayed by your people in the face of great personal tragedy. We are proud to be friends of such people.

Again, it is a pleasure to be here with you today. There is every reason to look to the future with optimism and confidence. I thank you all, and God bless you.

*Note: President Reagan spoke at 10:36 a.m. at El Centro del Gobierno del Estado Plaza, where he was accorded a formal welcome.*

## **Toast at a Luncheon Hosted by President Miguel De la Madrid Hurtado in Mexicali, Mexico**

*January 3, 1986*

President De la Madrid, honored members of the delegations, and friends, this visit marks the fourth meeting that I've had with President De la Madrid. And I hope you agree, Mr. President, that each meeting seems more productive than the last. I deeply appreciate the open and candid manner in which we are able to discuss the issues at hand. It speaks well of our personal relationship and that of our countries.

We examined, in our meeting, trade and investment between the United States and Mexico. This is an area in which, I believe, more progress can be made with great benefits to both our peoples. Mexico's debt burden remains a serious challenge. But I am impressed with the commitment that you've made, Mr. President, to meet this challenge and to take the necessary steps to achieve a robust, growing Mexican economy. The United States remains ready and willing to work with you to reach that goal.

We also discussed today the considerable progress made since the signing of the Border Environmental Agreement in 1983. Men may have drawn a line in the ground to determine the boundary between us, but God made the land on both sides of that line. And it's up to us to take care of resources that are placed in our care. With a 2,000-mile border, there is considerable room for expanding our cooperation in this area. I took special note, Mr. President, of the recent agreement to proceed with a major reconstruction of bridges.

We also had an opportunity today to review the ongoing battle with the drug traffickers, as you have just said—a fight in which Attorneys General Garcia Ramirez and Meese are playing a leading role. Cleansing our societies of this evil is not without cost. America joins with you in mourning the death of those valued Mexican officials who have been killed in the struggle against narcotics. There are tears on both sides of the border for the Mexican policeman killed recently in the State of Veracruz. They have shown honor and

courage that transcends international boundaries. Our own DEA agent, Enrique Camarena, brutally murdered in the line of duty exemplifies this. He is an American hero, born here in Mexicali.

Our meeting today has afforded us a good opportunity to discuss our differences and to expand our cooperation in many areas of mutual interest. It appears these areas are expanding. And that, I believe, should surprise no one. We share many fundamental values and, in the end, these values will draw us closer. Exemplifying this, Mr. President, was an interview you recently conducted with a Mexican newspaper. And in it you applauded the progress toward democracy being made throughout Latin America and concluded that the tendency of all the world is to seek democracy. Furthermore, you said, and I quote, "Regimes of force or authoritarian regimes are not the solution to overcoming economic and social problems in Latin America. Democracy is more effective in accomplishing these aims in a lasting way than the authoritarian regimes." Well, your words ring true, Mr. President. A commitment to democracy is the only true path to justice and to economic progress. Mexico and the United States can and should stand shoulder to shoulder in support of democracy in this hemisphere.

Outside this building is a bell, symbolic of the bell rung by an historic champion of human freedom, Father Hidalgo. This priest rang the parish bell in 1810 to rally the American [Mexican] people to fight against oppression. Miguel Hidalgo, Jose Maria Morelos, and many other brave Americans [Mexicans] gave their lives for this cause. And on the eve of September 16th, the bells are rung to commemorate your country's independence. We in the United States also have a bell symbolic of our liberty and independence; it's called the Liberty Bell. It's a national treasure, kept in Philadelphia at our Independence Hall. As we leave here today, let us pledge to each other that Mexico and the United States will ring the



bells of freedom as Hidalgo, Jefferson, Juarez, and Lincoln did before us. It's a sound sweet to the ear of all who long to be free. Let us ring the bell of freedom so that all citizens of this hemisphere—and we are all Americans, North, Central, and South—will hear.

And so I ask you all to join me in a toast to my friend, the great leader of the Mexi-

can people, President De la Madrid, and to the friendship between our two peoples.

*Note: President Reagan spoke at 12:56 p.m. at El Centro del Gobierno del Estado Plaza in response to a toast by President De la Madrid Hurtado. Following the luncheon, President Reagan returned to Washington, DC.*

## Radio Address to the Nation on Relations With Mexico and Canada January 4, 1986

### *My fellow Americans:*

Permit me to start today by wishing you and your families a happy and prosperous 1986. As we begin this year, we can be grateful that America is at peace, that our economy is growing, and that throughout the land there's a renewed sense of confidence in America and our future.

I'd like to speak to you today about two vital aspects of foreign policy: our relations with our neighbors, Mexico and Canada. Just yesterday I traveled to Mexicali, Mexico, to meet President De la Madrid. This was our fourth meeting since his election and my seventh with a Mexican President since my own election in 1980. Today relations between the United States and Mexico are good. There's no clearer proof than our cooperation in rescue efforts after an earthquake struck Mexico City last September. And my talks yesterday with President De la Madrid were marked by an air of friendship. We've made progress in a number of areas which concern our two nations directly, including the improvement of Mexican-American bridges and border crossings and the expansion of trade between our two nations.

We paid particular attention to the fight against illegal drugs, both drug production and smuggling. In the past, our cooperation in this effort has helped stem the flow of narcotics into the United States. But in recent months, drug smuggling has been picking up. Well, President De la Madrid and I have agreed to redouble our efforts to bring this illegal trade, this trafficking and

the warping and destruction of human life, to an end. We're of one mind about the need to eliminate drug crops, to provide heavy patrols on the border, and to step up the prosecution of those who deal in illegal narcotics. Both Mexican and American officials have given their lives in the battle against illegal drugs. For the sake of those brave men and every young person whose life is at stake, we must all—and will—continue the fight until victory is won.

In the international field, President De la Madrid and I expressed our respective viewpoints, notably on the problems of Nicaragua and other countries in Central America. President De la Madrid stressed that the conflicts in Central America have, in many cases, arisen from social and economic injustices. Well, for my part, I agreed that the nations of Central America have for many years been beset by poverty. And I pointed out that the United States is currently providing some \$1.2 billion a year to the region in economic aid. But I felt bound to add something else, something crucial: The answer to Central America's problems is political and economic freedom, not Soviet tanks and ruthless regimes like the Communist dictatorship in Nicaragua that wages war against its own people. And this is why the United States will continue to support those fighting for freedom and democracy in Nicaragua.

Permit me to turn now to Canada, our neighbor to the north. Last March I traveled to Quebec City to meet Canadian Prime Minister Brian Mulroney. The Prime

Minister and I agreed that relations between our two countries are excellent. Canada and the United States maintain the largest trade between any two nations on Earth. We cooperate in the defense of North America and are partners in the NATO alliance. We share a tradition of democracy and political stability and a firm commitment to economic growth. We're not only friends and neighbors; we're cousins.

Since our March meeting, the Prime Minister and I have worked to improve our relations still further. Already, we've committed ourselves to joint efforts in defense, the environment, and space. With regard to trade, I've informed the Congress that I want to begin negotiations with Canada on an agreement of historic significance to both countries. Our goal is to promote free and open economic competition and to

reduce those few barriers to our trade that still remain. When Prime Minister Mulroney visits Washington this March, I believe the mid-1980's will already have taken shape as the most productive period in the long history of Canadian-American friendship.

During my 1980 campaign for office, I called for a North American accord—a renewed spirit of friendship and cooperation between the United States, Mexico, and Canada, the three great nations which share this continent. I was delighted to see that spirit so much in evidence yesterday in Mexicali. And I'm confident that this spirit of friendship among our three countries will mark 1986 and the years beyond.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.*

## Proclamation 5425—To Amend the Quantitative Limitations on Imports of Certain Cheeses

January 6, 1986

*By the President of the United States of America*

### *A Proclamation*

1. Import limitations have been imposed on certain cheeses pursuant to the provisions of section 22 of the Agricultural Adjustment Act of 1933, as amended, 7 U.S.C. 624. Section 701 of the Trade Agreements Act of 1979, P.L. 96-39 (the "Act") requires that the President proclaim limitations on the quantity of cheese of the types specified therein which may enter the United States in any calendar year after 1979. The Act provides that the annual aggregate quantity of such types of cheese entered shall not exceed 111,000 metric tons.

2. Presidential Proclamation No. 4708 of December 11, 1979, and Presidential Proclamation No. 4811 of December 30, 1980, established quantitative limitations on imports of such cheeses as required by the Act. Such quantitative limitations appear in

Part 3 of the Appendix to the Tariff Schedules of the United States (TSUS).

3. In order to permit imports of certain cheeses from Uruguay, the quantitative limitations set forth in the Appendix to the TSUS must be modified. This modification does not affect any existing quota allocations nor increase the annual aggregate quantity of quota cheese to an amount in excess of 111,000 metric tons.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States of America, including Section 701 of the Trade Agreements Act of 1979 and Section 22 of the Agricultural Adjustment Act of 1933, as amended, do hereby proclaim that Part 3 of the Appendix to the Tariff Schedules of the United States is modified effective January 1, 1986, as follows:*

Item 950.10 is modified by adding the following new line immediately after the line beginning with "Argentina":

"Uruguay ..... 551,150 250,000".

of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*In Witness Whereof*, I have hereunto set my hand this 6th day of January, in the year

[Filed with the Office of the Federal Register, 11:11 a.m., January 7, 1986]

## Message on the Observance of Orthodox Christmas January 6, 1986

*My Dear Friends,*

On behalf of my fellow Americans, I am honored to send you our warmest greetings on this day, this deeply holy day of Christmas for Orthodox and other Christian believers around the world including within the Soviet Union.

The date that you and we celebrate Christmas may be different. But the meaning and magnificence of what we celebrate—the divine birth of one man, hero, strong yet tender, Prince of Peace—is the same. This birth brought forth good tidings of great joy to *all* people. For unto us was born this day a Savior who is Christ the Lord.

We are told there are up to 100 million believers in the Soviet Union alone. Whether you are from Russia, Ukraine, Byelorussia, Armenia, Georgia, the Baltic states, or elsewhere inside the Soviet Union—please know that we in America join you as one family under the Fatherhood of God, binding ourselves in a communion of hearts, for today and tomorrow and for all time. Know, too, our heartfelt desire that this day will kindle in all men that spirit which alone can bring us real peace on earth.

Peace is the condition of life for which all fervently pray. Of the many apparent paths to peace, we have seen one path that does lead to peace, the same path illuminated by Jesus Christ—the path of truth and love and

humility. Millions of Americans join you our brothers and sisters in a common struggle to overcome the barriers to peace—falsehood, selfishness and pride, whose bitter fruit becomes a thirst for power and domination.

God's commandment that we love our neighbor as we love ourselves is a commandment to respect the God-given rights of our fellow man—it is the commandment of freedom and of peace. Let us take heart knowing that our power to fulfill His commandment is not material but spiritual; and let us remember that no force on Earth can ever destroy the love of God that burns in our hearts. In the words of the prophet Isaiah: He giveth power to the faint; and to them that have no might he increaseth their strength . . . they that wait upon the Lord shall renew their strength; they shall mount up with wings of eagles; they shall run and not be weary.

On this special night I would like to say a prayer of my own—a prayer that God will touch and bless each of you in a most special way. And may we pray together, tonight and every night this year, that God's message of peace may touch the hearts of all His children—especially those upon whom we depend to make and keep peace in the world.

God bless you.

RONALD REAGAN

## **Appointment of William Henkel as Assistant to the President January 7, 1986**

The President today announced the appointment of William Henkel as Assistant to the President. Mr. Henkel is Deputy Assistant to the President.

In June 1985 Mr. Henkel relinquished his position as Director of the Presidential Advance Office and assumed a greater role in the areas of schedule coordination and event development. From September 1982 to March 1984, Mr. Henkel was Special Assistant to the President and Director of the Presidential Advance Office. In March 1984 he was promoted to the position of Deputy Assistant to the President and Director of the Presidential Advance Office. Mr. Henkel served on the 1985 Presidential Inaugural Committee as the director of operations. In this position, he was responsible for the planning and coordination of all the Inaugural events. Prior to joining the White House, he was associated with the Merrill Lynch capital markets group in New York

City in 1977–1982. He served as Deputy Assistant Secretary of Commerce for Economic Development Operations in 1975–1977. Mr. Henkel previously served in the White House in several related positions. In 1970 he joined the White House staff as a staff assistant to the President, serving as a Presidential advance representative. In November 1972 he was named Director of the White House Advance Office. He was appointed Special Assistant to the President and Director of Advance in 1973 and served in that position until January 1975. From 1965 to 1970, Mr. Henkel served as an account executive in a Merrill Lynch New York City branch office. He joined Merrill Lynch in 1963 as a junior executive trainee.

Mr. Henkel graduated from St. Lawrence University (B.S., 1963). He is married to the former Alice O'Brien, has six children, and resides in Arlington, VA. He was born June 19, 1941.

## **Appointment of Alfred H. Kingon as Assistant to the President January 7, 1986**

The President today announced the appointment of Alfred H. Kingon as Assistant to the President. Mr. Kingon will continue to serve as Cabinet Secretary, a position he has held since January 1985 when he was also named Deputy Assistant to the President.

Previously Mr. Kingon was Assistant Secretary of the Treasury for Policy Planning and Communications in 1984–1985. He was Assistant Secretary of Commerce for International Economic Policy (1983–1984). Previously he was with Macro Communications, Inc., in New York City, serving as editor in chief of *Financial World* (1973–1983) and *Saturday Review* (1980–1982) and editor of *Money & Credit* (1970–1973). He was portfolio manager for the Business-

man's Fund in 1969–1971; security analyst, vice president, and director of research for Scheinman, Hochstin & Trotta in 1967–1969; and investment adviser with Burnham & Co. in 1963–1967. He was a member of the executive committee of the President's Private Sector Survey for Cost Control Task Force (1983–1984) and the President's National Productivity Advisory Committee (1982–1983).

Mr. Kingon graduated from Union College (B.S., 1953) and attended New York University Graduate School of Business Administration in 1956–1961. He is married, has one child, and resides in Washington, DC. He was born May 11, 1931, in Brooklyn, NY.

## Letter Accepting the Resignation of John R. Block as Secretary of Agriculture *January 7, 1986*

*Dear Jack:*

It is with deep regret and heartfelt appreciation for your service to my Administration that I accept your resignation as Secretary of Agriculture, effective February 14, 1986.

One of the greatest satisfactions I have experienced as President has been to work with people like you: dedicated, patriotic Americans willing to put their exceptional talents and wide experience to work—full time and overtime—in key decisionmaking roles in order to build an even better America with a brighter future for all our people.

Yours has been a challenging assignment, and you have handled it with great distinction. We have come a long way together. Following up on our campaign promise, we removed the grain embargo and stuck to it. The consistency of our policy has helped the American farmer to win back markets some had thought we might have lost for good. And, beyond that, our far-sighted export initiatives have helped to create new markets abroad for our agricultural producers. Through our PIK program we made headway in reducing the economic stress being felt in rural America.

I'm especially proud, and you should be too, of the 1985 Farm Bill that starts getting government out of the way, so that enterprise and innovation can have free play.

I believe that our Farm Credit legislation has done much to restore the integrity of the farm credit system and provide lower interest rates for farmers, another of our goals and promises.

There is more, Jack, much more than can be squeezed into a letter. I guess I say it all when I say that you have been an invaluable member of our team from Day One. We knew we could always count on you.

One thing there is room for, and that is a heartfelt thank you for all you have done, not just for my Administration, but for this country we love.

The resounding vote of confidence we received from the American people in the

last national election was due in no small measure to the things you have helped us to accomplish. The American people, especially our farmers, owe you a debt of gratitude.

You got results because you had what it takes: imagination and leadership, and above all vision and a deep sense of purpose. It is a vision we share of an America that gives a fair shake and deserved encouragement to those who work on our farms and ranches, our orchards and vineyards to produce and market the agricultural products that make us a land of such blessed abundance.

That vision has been the mainspring of your brilliant accomplishments as Secretary of Agriculture. We will miss you, Jack, but I am confident you will continue to make important contributions to America as you return to the private sector.

My warmest wishes go with you, Sue, and your family, and Nancy joins me in the prayer that you will find only happiness, success, and great fulfillment in the years ahead. God bless you always.

Sincerely,

/s/ RONALD REAGAN

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*Dear Mr. President:*

For the past five years, it has been my great honor and privilege to serve as your Secretary of Agriculture. The proudest moment of my life was when you asked me to be a member of your Cabinet. It is, therefore, with great regret that I today herewith submit my resignation to be effective Friday, February 14, 1986.

One of the greatest challenges I have experienced has been the opportunity to serve you and American Agriculture. I believe I have made a difference—building an improved future for this great industry.

The times have been difficult in rural America for many but with farm program reforms, farm credit legislation, and interest

rate declines, I think we have set the stage for real recovery. Although there is much yet to be accomplished, we have made meaningful progress.

As Secretary of Agriculture, I have attempted to serve you with loyalty, dedication and relentless perseverance. I shall serve you with the same team spirit in private life.

You and Nancy are an inspiration to all

Americans and to the world as well. I am convinced that the future will bring even more success to this great Nation under your guidance. Sue and I both thank you for the confidence you expressed in us and for asking us to assist in fulfilling your vision of an America with strength, optimism and pride.

Sincerely,

/s/JACK

## Executive Order 12543—Prohibiting Trade and Certain Transactions Involving Libya

January 7, 1986

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), sections 504 and 505 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83), section 1114 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1514), and section 301 of title 3 of the United States Code,

I, *Ronald Reagan*, President of the United States of America, find that the policies and actions of the Government of Libya constitute an unusual and extraordinary threat to the national security and foreign policy of the United States and hereby declare a national emergency to deal with that threat.

I hereby order:

*Section 1.* The following are prohibited, except to the extent provided in regulations which may hereafter be issued pursuant to this Order:

(a) The import into the United States of any goods or services of Libyan origin, other than publications and materials imported for news publications or news broadcast dissemination;

(b) The export to Libya of any goods, technology (including technical data or other information) or services from the United States, except publications and donations of articles intended to relieve human

suffering, such as food, clothing, medicine and medical supplies intended strictly for medical purposes;

(c) Any transaction by a United States person relating to transportation to or from Libya; the provision of transportation to or from the United States by any Libyan person or any vessel or aircraft of Libyan registration; or the sale in the United States by any person holding authority under the Federal Aviation Act of any transportation by air which includes any stop in Libya;

(d) The purchase by any United States person of goods for export from Libya to any country;

(e) The performance by any United States person of any contract in support of an industrial or other commercial or governmental project in Libya;

(f) The grant or extension of credits or loans by any United States person to the Government of Libya, its instrumentalities and controlled entities;

(g) Any transaction by a United States person relating to travel by any United States citizen or permanent resident alien to Libya, or to activities by any such person within Libya, after the date of this Order, other than transactions necessary to effect such person's departure from Libya, to perform acts permitted until February 1, 1986, by Section 3 of this Order, or travel for journalistic activity by persons regularly employed in such capacity by a newsgather-

ing organization; and

(h) Any transaction by any United States person which evades or avoids, or has the purpose of evading or avoiding, any of the prohibitions set forth in this Order.

For purposes of this Order, the term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States or any person in the United States.

*Sec. 2.* In light of the prohibition in Section 1(a) of this Order, section 251 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1881), and section 126 of the Trade Act of 1974, as amended (19 U.S.C. 2136) will have no effect with respect to Libya.

*Sec. 3.* This Order is effective immediately, except that the prohibitions set forth in Section 1(a), (b), (c), (d) and (e) shall apply as of 12:01 a.m. Eastern Standard Time, February 1, 1986.

*Sec. 4.* The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the

purposes of this Order. Such actions may include prohibiting or regulating payments or transfers of any property or any transactions involving the transfer of anything of economic value by any United States person to the Government of Libya, its instrumentalities and controlled entities, or to any Libyan national or entity owned or controlled, directly or indirectly, by Libya or Libyan nationals. The Secretary may redelegate any of these functions to other officers and agencies of the Federal government. All agencies of the United States government are directed to take all appropriate measures within their authority to carry out the provisions of this Order, including the suspension or termination of licenses or other authorizations in effect as of the date of this Order.

This Order shall be transmitted to the Congress and published in the *Federal Register*.

RONALD REAGAN

The White House,  
January 7, 1986.

[Filed with the Office of the Federal Register, 10:16 a.m., January 8, 1986]

## Letter to the Speaker of the House and the President of the Senate on the National Emergency With Respect to Libya January 7, 1986

*Dear Mr. Speaker: (Dear Mr. President:)*

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. section 1703, section 505 of the International Security and Development Cooperation Act of 1985, and section 301 of the National Emergencies Act, 50 U.S.C. section 1631, I hereby report that I have exercised my statutory authority to declare a national emergency and to:

- prohibit purchases and imports from and exports to Libya;
- ban U.S.-Libya maritime and aviation relations;
- ban trade in services relating to projects in Libya;

- ban credits or loans or the transfer of anything of value to Libya or its nationals, except their property held prior to the effective date of this order or transactions allowed by regulations providing for normal activities by Libyans lawfully in the United States; and
- prohibit transactions relating to travel by Americans to or in Libya, other than for commercial activities permitted until February 1, 1986, or those necessary for prompt departure from Libya or for journalistic travel.

These prohibitions are subject to regulation by the Secretary of the Treasury. Certain of the prohibitions in the order will

apply as of 12:01 a.m. Eastern Standard Time, February 1, 1986. The remainder of the prohibitions of the order will become effective immediately.

I am enclosing a copy of the Executive order that I have issued making this declaration and exercising these authorities.

I have authorized these steps in response to the emergency situation created by international terrorism, in this instance the actions and policies of the Government of Libya. Its use and support of terrorism against the United States, other countries, and innocent persons violate international law and minimum standards of human behavior. These Libyan actions and policies constitute a threat to the security of the United States as well as the international community. Our Nation's security includes the security of its citizens and their right freely to go about their lives at home and abroad. Libyan use of and support for terrorism also constitute a threat to the vital foreign policy interests of the United States and of all other states dedicated to international peace and security.

Since Libya was officially designated under U.S. law in 1979 as a country that has repeatedly supported acts of international terrorism, the United States has taken a number of steps in response to hostile Libyan policies and actions. We have denied licenses for exports that may contribute to Libya's military potential or enhancing its ability to support acts of international terrorism. We have denied export of most national security controlled items; of goods or technical data which could contribute directly to the Ras Lanuf petrochemical complex; of aircraft, large off-road vehicles and parts with a high risk of diversion by Libya for military activities; and for oil and gas technology and equipment not available from third-country sources. On the import side, we have banned Libyan petroleum and, since November 1985, Libyan refined petroleum products. We have stopped Libyans from coming to the United States for aviation maintenance, flight operations or nuclear related studies.

We have taken measures to limit the expansion of Libyan UN Mission facilities. We have also repeatedly called upon corporations to withdraw American citizens from Libya, for their safety, and we have restricted the use of U.S. passports for travel there. All these measures have not deterred Libya from its use and support of terrorism. Moreover, approximately 1500 Americans remain in Libya.

The Congress of the United States has repeatedly deplored the Qadhafi regime's use of and support for international terror. Recently it did so by enacting section 504 of the International Security and Development Act of 1985. Moreover, I have determined that Libya falls within the terms of another statute directed by the Congress against those countries that support terrorism against civil aviation, section 1114 of the Federal Aviation Act of 1958, as amended.

The United States reaffirms its call to Libya and all nations supporting terrorism to turn away from that policy. The United States also calls upon other nations to join with us in isolating the terrorists and their supporters. We must demonstrate by firm political and economic sanctions that the international community considers such actions intolerable, that states that engage in such actions cannot expect to be accepted members of the international community.

Failure to call Libya into account for its policy places the civilized world at the mercy of terrorism. This has necessitated the steps I have taken today. The terrible tragedies of Vienna and Rome demonstrate that no nation can be immune, that each nation must bear its fair share of the vital effort against the politics of terror. I call upon every nation to do so now.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.*



## The President's News Conference *January 7, 1986*

*The President.* I have an opening statement.

### *Economic Sanctions Against Libya*

On December 27th terrorists, as we know, attacked Rome and Vietnam [Vienna] international airports. It was the latest in a series of atrocities which have shocked the conscience of the world. It's clear that the responsibility for these latest attacks lies squarely with the terrorist known as Abu Nidal and his organization. The number of his victims increased by 19, among them 5 Americans, including Natasha Simpson, an 11-year-old girl. Many others from around the world were wounded. And we shall make every effort to bring Abu Nidal and other terrorists to justice.

But these murderers could not carry out their crimes without the sanctuary and support provided by regimes such as Colonel Qadhafi's in Libya. Qadhafi's longstanding involvement in terrorism is well documented, and there's irrefutable evidence of his role in these attacks. The Rome and Vienna murders are only the latest in a series of brutal terrorist acts committed with Qadhafi's backing. Qadhafi and other Libyan officials have publicly admitted that the Libyan Government has abetted and supported the notorious Abu Nidal terrorist group, which was directly responsible for the Rome and Vienna attacks. Qadhafi called them heroic actions, and I call them criminal outrages by an outlaw regime.

By providing material support to terrorist groups which attack U.S. citizens, Libya has engaged in armed aggression against the United States under established principles of international law, just as if he had used its own armed forces. We've urged repeatedly that the world community act decisively and in concert to exact from Qadhafi a high price for his support and encouragement of terrorism. The United States has already taken a series of steps to curtail most direct trade between our two countries, while encouraging our friends to do likewise. Terrorists and those who harbor them must be denied sympathy, safe haven,

and support.

In light of this latest evidence of Libya's growing role in international terrorism, it is clear that steps taken so far have not been sufficient. Tougher, more comprehensive measures are required by the international community. Accordingly, I signed today an Executive order stating that the policies and actions of the Government of Libya constitute a threat to the national security and foreign policy of the United States. Congress has been notified of my decision. Under the authority vested in me by the Constitution and the laws of the United States, I've taken measures to end virtually all direct economic activities between the United States or U.S. nationals and Libya. These measures, some of which take effect immediately and others no later than February 1st, impose a total ban on direct import and export trade with Libya, except for humanitarian purposes. They prohibit commercial contracts and other transactions with Libya, including travel-related activities other than those needed for journalism or to carry out this order. I call on all Americans in Libya to leave immediately. Those who violate these orders should know that they will be subject to appropriate penalties upon their return to the United States. Let the Government of Libya understand that it is fully responsible for the welfare of those Americans still in Libya and that Libya will be held accountable for any attempt to harm them or restrict their freedom to depart.

Our differences are not with the people of Libya, but with Colonel Qadhafi and his regime. We've taken these steps after much reflection and in full awareness of the economic consequences which the United States stands to incur as a result. Civilized nations cannot continue to tolerate in the name of material gain and self-interest the murder of innocents. Qadhafi deserves to be treated as a pariah in the world community. We call on our friends in Western Europe and elsewhere to join with us in isolating him. Americans will not under-

stand other nations moving into Libya to take commercial advantage of our departure. We will consult with all our key allies to pursue the goal of broader cooperation.

Italy's Prime Minister Craxi, in whose country one of the recent attacks occurred, properly emphasized the necessity not only of coping with terrorists but identifying "those states that guarantee terrorist protection and the possibility to arm and organize themselves to carry out their bloody raids." Qadhafi's Libya is such a nation, and we call upon other nations to join us in denying it the normal economic and diplomatic privileges of the civilized world. If these steps do not end Qadhafi's terrorism, I promise you that further steps will be taken.

And thank you, and that concludes my statement.

But wait; before taking your questions, let me extend a warm welcome back to one of your colleagues, Sarah McClendon [McClendon News Service]. Sarah's been absent for a while, but she's back now, and I'm delighted. Sarah is a true Washington institution who's seen a lot of history that she's covered aggressively and fairly. Sarah's kept several of my predecessors, eight Presidents in all, and me on our toes over the years. And I'm truly honored that she chose tonight for her first public appearance, but I had a feeling she wouldn't miss this. So, you see, it's not that we haven't been holding press conferences; I was just waiting for Sarah to come back. [Laughter] And in honor of her return, I'd like to offer Sarah the first question. Don't worry, Mike [Mike Putzel, Associated Press], you'll get the second one. Sarah?

#### *Medicare*

Q. Thank you, Mr. President. That was very nice of you, and I appreciate it. Sir, I want to call your attention to a real problem we've got in this country today. The hospitals and the doctors are sending the elderly sick home too soon, before they're really ready to go, and that makes a burden on their families. This all seems to be based on the Medicare payment formula, and I know that there's a fear across the land from Gramm-Rudman for fear that the Medicare payments may be reduced fur-

ther. I wonder if you can't have your experts make a solution to this.

*The President.* Sarah, I can't tell you what the final decision has been on this. We have been looking at this entire program, things that can be done and should be done, and also the possibility we're looking at as to whether we can't find something to take care of catastrophic illnesses. I tried to do this when I was Governor in California, and I couldn't get any public interest in it at all. I guess everyone has a feeling it'll never happen to them. But we are looking at this and as to what we can do with regard to some of the problems that have arisen, because, as you know, the program has expanded in cost greatly. Medical care and, well, health care, generally, has been one of the highest factors in the increase in inflation. So, I promise you, we're looking at it.

Q. Well, sir, has anyone ever thought about the fact that Canada gets her medical care with a little extra taxation but practically free? Why couldn't we start something like that?

*The President.* Well, we're looking for answers.

All right, Mike [Mike Putzel, Associated Press].

#### *Libya and Terrorism*

Q. Mr. President, you said in your opening statement that there is irrefutable evidence that Colonel Qadhafi was involved in the airport attacks. The European allies seem less convinced. What proof is there of Qadhafi's involvement in those attacks?

*The President.* Mike, the only thing I can say in answering that question—and I can't do all that you would like to do because there are things that should not be revealed—but I can assure you that we have the evidence. We have the evidence of the amount of training that has been given; that, too, he has denied. I don't think he's capable of telling the truth about these things. But we know the location of training camps for terrorists, and we also know that Abu Nidal has more or less moved his headquarters there into Libya. So, we speak with confidence. And I would like to remind you that in the first moments or days or hours following these last two, he did openly

praise them as heroic undertakings. And then very shortly, along about the time that the *Coral Sea* was leaving Naples—and it was only leaving because its leave time there was up—but he suddenly decided that, no, he was distressed by these acts of terrorism. I think he was speaking more honestly the first time.

*Q.* Mr. President, if I could just follow up for a moment. You say that you could prove—that you have conclusive evidence that he, Colonel Qadhafi, is personally involved in those attacks that killed Natasha Simpson and the others?

*The President.* We are satisfied that, yes, his regime—and I don't think that his regime is doing anything without his guidance.

Helen [Helen Thomas, United Press International]?

#### *Palestinian Rights*

*Q.* Mr. President, for some 40 years American Presidents have been confronted directly with the Middle East problems. You and your predecessors have often spoken of the legitimate rights of the Palestinians. My question, Mr. President, is how did Palestinians attain these rights? How do they rid themselves of foreign occupation? Should they emulate the U.S.-backed freedom fighters in Afghanistan, the *contras* in Nicaragua, or is there a peaceful way? And I'd like to follow up.

*The President.* Well, the peaceful way is the thing we've been trying to promote, Helen, the idea of peace between the Arab States and Israel. And we have emphasized from the very first that the problem of the Palestinians must be a part of any solution. But I would also like to point out that virtually every Arab country has thousands and thousands of Palestinians. In fact, some of them, they're practically a majority of their population. So, they are in a number of countries, and in many of these countries they are not made citizens of those countries. They're allowed to live there and so forth, but they don't have passports. They don't have all of the privileges that a citizen of the country would have. And there has to be a solution, particularly—we're not talking about all of those; they seem to be content with where they're living—but

those that became refugees, the great refugee camps that we found in Lebanon. Those are the ones that are literally people without a country, and we think there has to be a solution found for them. The reason that we have not approved the dealing with Arafat and that sect, the PLO, is because how could they sit in in a peace conference when they deny the right of Israel to exist as a nation and have refused to endorse or support or accept the two resolutions, 442 and 238 [242 and 338], of the United Nations?

*Q.* Will Israel accept the existence of the Palestinians, or will the United States continue to give Israel the veto power over any Palestinian negotiating for their people?

*The President.* No, and I don't think that they ask for that. Theirs is—and I would say this of any other country that they're working with—that you can't ask them to negotiate with someone who's sitting on the opposite side of the table saying that they start from the negotiating position that Israel doesn't have any right to exist. And this is the main thing; it's the reason why we have not felt free to talk with an Arafat until he gives up that position.

Chris [Chris Wallace, NBC News]?

#### *U.S. Actions Against Terrorism*

*Q.* Mr. President, you have said that your policy towards terrorists is swift and effective retribution. And after the *Achille Lauro* case you said, "You can run, but you can't hide." But isn't this one more case where there is no retribution and where the people behind the terrorism have in effect been able to hide?

*The President.* Now, you mentioned the people behind the terrorism. I'd like to point out that all this talk that there's been about harsh talk and no action and so forth—could I recap just a moment here?

Two of the great terrorist actions against the United States took place in Lebanon: the bombing of our Embassy and the slaughter of our marines there. But in both cases the perpetrators of those acts died with the victims; they were suicide attacks. Now, we've made every effort to try and establish, well, who brought these people there? They certainly can't be questioned.

How did they get there? Now we've had two more recent attacks. But in these two attacks the perpetrators are either dead, killed on the scene, or they're wounded and in hospitals under arrest. But, again, here is a better opportunity now. This was something of a suicide attack, and Qadhafi himself has referred to more suicide terrorist actions; in other words, finding some poor souls that are fanatic enough that they can be told that they got a free ride to heaven if they'll go out and give up their own lives to kill someone else, innocent people. The only actual case where there were terrorists, and there they were, and we knew their location and where they were trying to go, and we brought them down—and that was the *Achille Lauro* case—and turned them over to the Italians at their request. After all, it was their territory and their ship, and they wanted to do the prosecuting. And they will be prosecuted.

I know it appears that we sit here and are not doing anything. I'd like to tell you something that we have done. We have actually recorded in the last year, and know, that we have aborted 126 terrorist missions. Now, I won't go any further, and I'm not going to tell you how this was done. But in our intelligence and working with the other countries, we have been able to anticipate and, as I say, abort that many terrorist missions.

Q. But, sir, if I may follow up, what you seem to be saying is that in this particular case, in terms of going to the source, going after Abu Nidal or going after the Libyan training camps, it's basically going to be next time for a military strike. And I wonder, given your criteria, which are that there has to be a direct link between the terrorists and the target and that no innocent civilians can be hit, why should Mu'ammar Qadhafi or Abu Nidal believe you?

*The President.* I'm not going to talk beyond the action that we've taken here. I am not going to make any comment as to whether we have other actions in mind or what might be done. I think that Mr. Qadhafi would be very happy if I did answer such a question, but I'm not interested in making him happy.

Gary [Gary Schuster, CBS News]?

Q. Mr. President, were any of these terrorist missions that you say the United States aborted in the United States?

*The President.* I'm not going to comment on that or their location or anything further on it. I'm just going to assure you that we have the intelligence that led us to be able to do that. They weren't all in the United States, or I don't know how many. I haven't got the count before me right now.

Sam [Sam Donaldson, ABC News]?

#### *Lie Detector Tests*

Q. Mr. President, you signed a directive which would have required a great number of government employees to take lie detector tests for security purposes. But when Secretary [of State] Shultz publicly complained, you changed your mind and cut back on that directive. And one of your aides said to reporters that you really hadn't understood what was in it when you signed it. My question is, did you understand it when you signed it originally, and, if so, why did you change your mind?

*The President.* If there was an aide that said anything of that kind, he wasn't an aide. [Laughter]

Q. He won't be tomorrow.

*The President.* No. No, when Secretary Shultz came back, he had been accosted by the press in Europe. And they were leading to believe that I had okayed virtually carte blanche the 2½ million Federal employees subject to lie detector tests and they would be tested based on their personalities or their own personal lives and so forth. None of this was true. And the document I signed was not changed, nor did I change my mind. I was able, when the Secretary and I had a chance to talk when he came back, to point out that what I had signed was a directive that was creating an investigative policy that we were—I did not create it—in that I asked for and was proposing that we come together on a policy for heading off espionage. And, therefore, out of the thousands and thousands of employees, there is a very limited number that actually deal with classified material or could possibly be involved in this. And I recommended, among other things, that this be included as an investigatory tool in such investigations,

and it would be limited to what we were trying to find out—espionage and whether to head it off or not. So, whoever was telling that—and I've seen it and heard it and so forth, and I've sat there fidgeting in my chair because it wasn't true. That's what I signed, and that's what's still signed.

*Q.* Sir, Secretary Shultz made the point that he doesn't believe lie detector tests are accurate, that often they catch people who are not guilty and even let people who are guilty go. I take it you think they are accurate.

*The President.* I think that it's a useful tool. I know that he does not have too high an opinion of them, and I think that he was thinking also if you're going to have one of those in which you get into people's personal lives and so forth. But also there are others who have a greater confidence in them in such an investigation, where you are directly going at a subject. One of the things that they've done, and the record of polygraph tests throughout our land has proven, that they have been responsible for more confessions than anything actually proven there, that the very nature of the test has led to a multitude of confessions of various crimes and so forth.

All right, Bill [Bill Plante, CBS News].

#### *Economic Sanctions Against Libya*

*Q.* Mr. President, the last time you asked the Europeans to take any sort of sanctions against any of the states which might be responsible for terrorist acts, you asked them to stop flying commercial flights into Beirut. The policy was not a notable success. The Europeans have proven extremely reluctant. Is there any reason for you to believe, or for us to believe, that things will be any different this time, simply because you are asking them yet again?

*The President.* I don't know. We're going to consult with them. I don't know that we're going to outright ask them. We're going to tell them what we're doing. They have told us in the past that, well, the limited actions that we had taken against Libya earlier were rather ambiguous. So, now we're taking some that are a little unambiguous, and maybe that'll change some of their minds, maybe it won't. Some of them may have problems of their own, in their

own economies, that's just going to render this nearly impossible. But we're going to consult and see how much cooperation we can get.

*Q.* Well, sir, but if they can't do it, it severely curtails the effect of your sanctions. Doesn't it frustrate you?

*The President.* It may be frustrating, but we're going to go on with what we think has to be done.

Yes?

#### *Terrorist Attacks in the United States*

*Q.* Mr. President, how seriously do you take the threat of Mr. Qadhafi that if there is some indication of Israeli or American military retaliations, that Washington, DC, will become a target for hit squads?

*The President.* Well, I wish he was planning to do that himself. I'd be happy to welcome him. [Laughter] But, no, how can you not take seriously a man that has proven that he is as irrational as he is on things of this kind. I find he's not only a barbarian, but he's flaky. [Laughter]

Gerald [Gerald Boyd, New York Times]?

#### *Budget Deficit and Tax Increases*

*Q.* I have a domestic policy question, Mr. President. You seem to be one of the few people in your administration who seems to believe that you can have a 3-percent real growth in defense spending and still satisfy the Gramm-Rudman balanced budget amendment. If you are wrong, sir, are you willing to settle for less defense spending, or will you eventually have to raise taxes to meet the bill?

*The President.* Well, as you know, in the budget resolution that was passed by the Congress itself, it called for a 3-percent real growth in defense spending, and this is what we're incorporating in our '87 budget that we'll be coming forth with pretty soon.

*Q.* But a lot of people say you have to raise taxes eventually. And you know, you said in 1982 that you wouldn't raise taxes, and then you did. And you have said over the years that you wouldn't reduce Social Security benefits, and you later changed your mind on that.

*The President.* No, no. We had a bipartisan commission on Social Security. I have

never thought that Social Security plays a part in the deficit; it doesn't because Social Security is supported by its own tax, and that tax can't be used for anything else. So, it's playing games to pretend that Social Security is a part of the budget and can affect the deficit. As a matter of fact, a previous President put it in the budget only because the bookkeeping, in ink, would look like the deficit was smaller if you could count as an asset the Social Security tax. Well, I think that's not playing fair with the people, so we've taken it out. But—

*Q.* You're ruling out a tax increase under all circumstances?

*The President.* Now, the tax increase, let me just say here—and the one that you mentioned—yes, I got burned because I agreed to a tax increase that in reality was actually getting rid of some of the Christmas tree ornaments that were hung on the original tax program, our original tax cut. Some of them weren't things that we had advocated. But I was promised \$3 in spending cuts for every dollar of increased revenue. I never got the \$3. So, I'm like that fellow in the story. I'm still yelling, pay the \$2, only \$3 in my case.

But the thing with that tax, it's not being stubborn about that. It's just being that if you look back at history, every time that you have sought through tax increase to increase government's revenues, you find out that you have placed a block in the path of progress and economic growth and you wind up with less revenue at higher rates.

Now, the tax situation, we're getting the same percentage of gross national product in tax revenues at the lower rates than we've been getting before. And the answer to more revenues for government is economic growth. I believe that a tax increase would run the risk—in fact, I'm almost positive that it would be more than a risk—it would set back the economy and could even trigger possibly a slump in the economy. So, we've gone on now for the last 3 years. We've added almost 9 million new jobs. We have 110 million people, roughly, that are employed; the highest percentage of the potential working pool ever in our history is employed. The stock market today set a new high again, all-time high. It's now 1565, went up \$18 and something.

And I think for us to turn around and take a chance on something that in the past has proven that every time tax rates are raised, you've got some people in the country that are waiting with a choice program of their own to spend that money, not to use it to reduce a deficit. We're going to keep on trying with these next 5 years to get down to a balanced budget through spending cuts. Then, if that isn't enough, and if we're convinced that we have government down to the absolute level where it cannot go below that and perform government's functions and services, then it would be a time to look at revenues, but not now.

#### *Soviet-U.S. Summit Meeting*

*Q.* Mr. President, are you now looking forward to a second summit with Mr. Gorbachev in September or the fall, perhaps, rather than in June; and what has led to that slippage?

*The President.* Oh, I don't know. Someone on their side has suggested later in the fall. We thought that June would be a nice time to do it, and not get around to waiting and saying that it's got to be a year between visits. In fact, the last words of the Secretary General [General Secretary] to me when we said goodbye was that we should keep in touch and not just wait until there was another meeting, but to keep on with what was started there. And I said to him, proposed that it might be in late June, in the summer. And he nodded his approval of that when he accepted my invitation. Now others have perhaps suggested that it should be at another time. But there hasn't been a date set, and other than the suggestion, they haven't given us any reason why they think that later in the fall would be better than in June.

#### *Hollywood Movies*

*Q.* If I could follow, sir, in terms of the atmosphere between the U.S. and the Soviet Union, the other day the Soviet officials were complaining about such things as Rambo movies and Rocky movies which cast the Soviets in a bad light. Do you think that's an appropriate sort of thing? Are you talking to your friends in Hollywood about

the kind of movies being made these days?  
[Laughter]

*The President.* No, I was talking to my friends in Hollywood back at a time when they seemed to be making pro-Communist pictures.

#### *U.S. Hostages in Lebanon*

*Q.* Mr. President, back on the subject of terrorism, what effect, if any, do you think the actions you have taken today will have on the welfare of the U.S. hostages in Lebanon? And I would like to follow up.

*The President.* Well, I think we are talking about two separate subjects here, even as to the nature of the people that are holding them and the other terrorists that we've been talking about. But I can only tell you that we have been meeting with, talking with, a number of individuals, a number of other governments, following every lead that we can that would lead to their rescue. And we're not going to let up until we're successful in that. Again, I can't get specific on the things that we're doing other than it is a constant and all-out effort. But I think that it would be counterproductive for me to explain any of the things that we're doing.

*Q.* If I may follow up, sir, can you tell us what you know about their welfare?

*The President.* We have no reason to believe that they are not—I hesitate to say well treated. Let us say that, apparently, they're in as reasonably good health as could be expected in view of their incarceration.

#### *Soviet Aid to Libya*

*Q.* Mr. President, in connection with your next meeting with General Secretary Gorbachev, the Russians, in response to the terrorist activities that you have been talking about this evening, have made some very defensive statements of Libya and of Qadhafi. And as you know, they supply Libya with a good deal of their military equipment and possibly some of the training, some of which may be then passed on to the terrorists. I would like to know, when you sit down and talk to General Secretary Gorbachev or if you're in communication with him before your next meeting, do you intend to bring this up and suggest to him

that they could be more forthcoming in areas outside of your direct talks and make the climate better?

*The President.* Yes. This was very definitely one of our conversations, or one of our topics in our one-on-one conversations about why we had a suspicion of them. And it was incorporated in a subject that I had brought up in which I said that it was obvious that both of us suspected the other, distrusted the other, and that it was going to take more than words, but take deeds for us to eliminate that distrust. And if we could do that, then we could get on with the business of reducing arms and so forth instead of looking at each other as antagonists all the time.

*Q.* Have you considered, sir, directly communicating with Gorbachev about this recent incident and about possibly using his leverage with Qadhafi?

*The President.* Again, you're getting around to details that I don't want to get into.

#### *Americans in Libya*

*Q.* Mr. President, would your response to the terrorist incident have been different if there were not more than a thousand Americans still in Libya?

*The President.* Well, very obviously, they have to be a consideration. As you will recall, the first time that we took some economic actions, there were roughly 8,000 Americans in Libya. And we asked—did not order and did not declare an emergency, but asked them to come back. And now there are between a thousand and 1,500 there. But, yes, you have to consider them as potential hostages.

#### *Libyan Chief of State Qadhafi*

*Q.* If I may follow up, you said earlier that you thought Mr. Qadhafi was flaky. Do you seriously think that he might be emotionally or mentally unbalanced?

*The President.* Oh, no, I used that in the term that we use it in conversation about someone. No, I just think that the man is a zealot. He is pursuing a revolutionary cause that could affect a great many countries. And you only have to look at his performance in Chad in which he then violated the

word that he had given to France with regard to his aggression there and other places. So, I feel that you have to be on guard against virtually any kind of act.

Yes?

#### *American Travel Abroad*

*Q.* Mr. President, how safe or how risky do you think it is for Americans to travel to Europe these days? And are you satisfied that our allies have redoubled their efforts for airport security, as you asked them to do last summer?

*The President.* I think there's been great improvement in airport security. And yet when you have suicide attacks as we did in the Rome and Vienna airports, you have to ask yourself what can be done about that to prevent it. I have to feel that a—well, as a matter of fact, in recent travels and over the holidays, and I can't tell you how many people of the type that could be expected to be taking European trips or world trips, how many of them went out of their way to tell me that they would plan no such trips under the present situation. So—

#### *Secretary of Agriculture*

*Q.* Mr. President, will you be looking for a working farmer to replace Secretary of Agriculture Block, who resigned today?

*The President.* Well, I certainly am going to want someone, just as Jack was, who has all the experience that is necessary in that field. And, yes, it would be fine if we come up with a working farmer.

#### *Farm Industry*

*Q.* Do you agree with Secretary Block that we've turned the corner on the farm economy and are headed for better times?

*The President.* I think we have. The farm program—and he stayed until the farm bill was completed and signed. And it's going to take a little patience for a time. You can't do something instantly, pull out a rug that's been there for a great many decades. But we think that we have a program now that is going to help maintain an income for the farmer at the same time that we get agriculture back out to market control and not government regulation and control. I think we all ought to heed the fact—I have the greatest sympathy for them. And I think that we have a great responsibility because a lot of their problems come from government, instead of government helping. And the proof of that is if you look at those areas of farming that are not a part of the government programs and subsidies and so forth, they are not having the economic problems that the other part of farming is having.

*Ms. Thomas.* Thank you.

*The President.* Oh, all right. Well, thank you all very much.

*Note: The President's 33d news conference began at 8 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.*

## Statement by Principal Deputy Press Secretary Speakes on the Sanctions Against Libya

*January 8, 1986*

The United States today will begin consulting with allies and other friendly nations in Europe and the Middle East to encourage cooperation in imposing economic and political sanctions on the Qadhafi regime and Libya. We will monitor the effects of our actions to decide what additional steps may be needed to isolate Qadhafi politically and economically and to bring an end to worldwide terrorism. Cooperation of our

allies and friends is critical if we're to exact a high cost to Qadhafi.

Europe has borne the brunt of Qadhafi's latest outrages. European leaders surely recognize that there is a strong and increasing public sentiment for firm action against those who support terrorism. Many Arab States have suffered also from terrorism. Arab leaders are well aware of Qadhafi's uncivilized behavior, and he is a threat to



them, as well. Europe and the Middle East countries have lost more than 1 billion in tourism alone. Airport workers in Rome have gone on strike to protest this situation. All countries are spending millions in increasing security. The cost in lives and property is enormous, and this will surely increase if terrorist acts continue.

But the cost of rampant and spreading terrorism is a price free nations cannot and will not pay. In our consultations, the United States will make it clear our position is that all nations must act in concert if we are to halt terrorism. It is essential that we make Qadhafi and others pay a premium if they continue their attempts to terrorize

the world. Many actions will be taken, and we will hold in abeyance any further decisions that we make. The United States will continue to reserve the right to act in an appropriate manner in our own self-defense. All available measures will remain under consideration to bring terrorists to justice. We want to convince Qadhafi that terrorism will not be cost-free, nor will it be without consequence. Should Qadhafi continue his involvement in international terrorism, we're fully prepared to take additional measures.

*Note: Larry M. Speakes read the statement to reporters at 9:18 a.m. in the Briefing Room at the White House.*

## **Statement on the Canada-United States Report on Acid Rain** *January 8, 1986*

Last spring in Quebec, Canadian Prime Minister Brian Mulroney and I appointed Special Envoys to study the subject of acid rain—Drew Lewis of the United States and William Davis of Canada. This morning I received their report from Drew Lewis. I am pleased that Drew and Bill have completed this important step forward. They have worked long and hard to study the serious concern of acid rain. Their efforts represent a very positive development in U.S.-Canadian cooperation.

This report represents an earnest effort by the United States and Canada to address an important environmental issue and exemplifies what can be accomplished in the spirit of Canadian-American cooperation. We will be carefully reviewing the report and its recommendations. I look forward to discussing the matter further in my meeting with Prime Minister Mulroney here in March, as we continue to address together this topic which is of such great interest to both of our countries.

## **Interview With Independent Network Washington Bureau Chiefs** *January 8, 1986*

### *Economic Sanctions Against Libya*

*Q.* Mr. President, you've asked the world to isolate Libya by joining the United States in economic and political sanctions. Initial reaction from our friends has been lukewarm at the best—

*The President.* Yes.

*Q.* —a refusal at worst. Is it not possible the United States will be standing in isolation, as it has on other occasions when it

tried to impose sanctions?

*The President.* That's possible. We'll hope that, well, as many as possible would join. I think that I can understand that there are economic factors that are engaged here, that countries that have more trade, certainly, than we do with that country. On the other hand, they've got to weigh it against having to stay constantly on guard, literally military at their airports, a loss of

tourist trade, the added cost of all these other things, too. And I think the case is so clear that if we could all stand together and isolate that country, that country would then have to change its ways.

*Q.* About Colonel Qadhafi, you've described him as a barbarian, as flaky. Now he's, in effect, drawn a line in the sand and warned you not to cross it. Is he likely to retaliate, maybe close those borders, keep in those 1,500 Americans that you've ordered home?

*The President.* No, I don't think there's any indication of that, nor would we permit him to do such a thing. But we've taken the action we've taken, and as I said last night, I won't add anything to what might be on our minds for the future. Let him wonder what's on our mind.

*Q.* Mr. President, when the Russians invaded Afghanistan, we imposed a grain embargo. When you came into office in 1981, you were opposed to the grain embargo, I believe, saying it was ineffective and hurt our farmers and our economy. How does that differ from economic sanctions and doing business with Libya?

*The President.* Well, it differs in the sense that we just picked out one particular American industry and shut that down and shot ourself in the foot in doing it. And my position was that if it ever requires us to have economic sanctions with Russia or anyone else, it should apply to all American industry and not just penalize one, particularly when the product of that one could be obtained by our heretofore trading partner in any of a number of places in the world. And that's exactly what they did, and probably permanently reduced our agricultural export market.

#### *Aborted Terrorist Acts*

*Q.* Mention has been made of the 126 aborted terrorist acts. Can you tell us if any of those might have occurred in the United States, were aborted in the United States, or give any specifics about any individual acts that were aborted?

*The President.* The thing is—and this morning I haven't had time after saying this last night—I realized that I hadn't asked for a breakdown on where these were. I've heard some things about them; and some of

them, probably a couple of dozen, applied to the United States. But that could have been also United States installations overseas. So, I'm going to get a breakdown on that.

#### *Trade Legislation*

*Q.* I wonder if I might change gears on you just a little bit, Mr. President. I wonder what you're going to say to the unemployed textile workers in the Carolinas and in Georgia the next time you visit those States as a result of your veto of that textile bill.

*The President.* Well, I'd say right now I have the deepest sympathy for anyone who is going to lose their position and any industry that is going to feel hardship because of this. On the other hand, we know that the protectionism would result in equally painful unemployment for other Americans in other industries; it's a two-way street. And all experience shows what happens when we go down that protectionism road. What I have asked for is an additional \$100 million for our Job Training Partnership Act for us to help in retraining and even moving people who are in an industry that is maybe going to have a permanent decline.

At the same time, I have to say that if you look at the recent figures, there hasn't been that much of a change in the textile industry in recent years. And it's true that there are a great many other countries now that are in the marketplace. But we're also going to do something that I found we had been lagging in: I had supported the multi-fiber arrangements, and that evidently we hadn't been enforcing as we should the quotas that exist. We have some 1,300 treaties or agreements with other countries. And I have ordered a strict maintenance of those rules. So, we're going to try to minimize any effect that this may have. But we can't ignore the fact that protectionism, as we used it back in the beginning of the Great Depression—and I was around then—led literally to a worldwide depression. It just isn't the way to go. This Smoot-Hawley tariff was the villain, in that case, that perpetuated and added to the Depression.

*Q.* During the debate on the textile bill, Chairman Rostenkowski said that when

Congress comes back this month, he will begin work on new trade legislation. Do we need new trade legislation? Would you support it?

*The President.* If there's anything left to plug that we are not doing. But, as I said, we are going to—and have embarked on a rigorous program of dealing multilaterally and bilaterally with other countries—to make sure that we get a level playing field and that we do not go on putting up with unfair restrictions on our exports to other countries while we ourselves are playing the game of free trade.

#### *Economic Sanctions Against Libya*

*Q.* If we may return to Libya for a second, I was wondering what you think of the American support for your policy? ABC News has a poll out this afternoon which indicates that 87 percent of Americans approve your economic sanctions and one-third would approve some sort of military action against Libya.

*The President.* Well, I'm glad of the first figure, and I'm glad that we have support if it ever becomes necessary to do the other. The thing that I've always said about retaliation is that we must not get tempted into creating a terrorist act on our own in response to a terrorist act. But I am in a position of not being able to comment on what any future actions might be.

*Q.* The Libyan response this morning calls your comments last night tantamount to a declaration of war.

*The President.* I think if it ever came to a declaration of war, they'd be aware of the difference between what I said last night. [Laughter]

*Q.* Mr. President, to expand on that a little, as someone mentioned earlier, the response out of Europe this morning has not been promising in support of the position you took last night and the call you made for our European allies to join us in the economic sanctions. If you could have the European leaders with you this morning instead of this group of reporters, what would you say to them to try to convince them to join us in the economic sanctions?

*The President.* Some of the things that I said here in one of my first answers, and point out to them what the choice is. We go

on living in a world in which you have to surround the docks where your ships sail from and your airports. You have to be constantly on guard against the suicide type of attack against which there is so little chance to resist or defend yourself. And the other might be very short lived if we could all isolate someone who has proven their willingness to be an international outlaw.

*Q.* One of the reasons given for our allies not being so quick to support us in this move is that they have much more extensive economic ties to Libya than we do.

*The President.* Yes, that's true.

*Q.* Does it make you angry or upset you at all that they are not willing to make some economic sacrifice to solve this problem? After all, after your 1981 sanctions, the U.S. gave up extensive economic ties.

*The President.* Well, I'm not going to say I'm angry. And I can understand the other when they're looking at possible unemployment. You have to remember that several of those countries have not had anything near the economic recovery that we have had, and they're lagging far behind. They already have excessive unemployment. They're still trying to get back on their feet. In that same period of 3 years, in which we have created almost 9 million new jobs, there are some of those trading partners of ours that have not created a single new job in the last 10 years. So, obviously they're torn between these two problems. At the same time, I would hope that we could persuade them that we're talking about something of short duration, that if we could all stand together in a thing of this kind, we might once and for all bring back into the fold of civilized countries these outlaws that are perpetrating the terrorist deeds.

#### *Unemployment*

*Q.* Mr. President, you just mentioned jobs. You talked about unemployment. Domestically, there is some good news today. The unemployment statistics are out for December; the trend continues downward. When will America reach that magic 5-percent number that the economists say is full employment?

*The President.* Well, I've asked our people to take some close looks at what is full em-

ployment anymore. It seems strange to me that we're still talking about a figure down there that has to do with the people who, through no fault of their own, are unemployed. And yet, at the same time, we have, today, virtually 110 million people employed. But the significant thing is you can say, well, also our population has increased. But the potential employment pool consists of all people, male and female, between the ages of 16 and 65.

Today the highest percentage of that potential pool is employed than has ever been employed in our entire history. So, do we honestly know what the figure of full employment is? I do know that if you take the present unemployed in our country, and you go down to what could be considered possible long-term unemployment or the potentially unemployed—permanently unemployed, I should say, not potentially, you will find that only a small percentage of the unemployed have been unemployed for 26 weeks or longer. And everyone else, in other words, fits into that pool of people who are either new entrants into the job market—just as last month, when the figures showed this morning, when we increased employment by 230,000 in the last month, at the same time the job market increased by 90,000 people. So, you take those figures and bring it down to those that are obviously having problems getting a job. Most people, when you say the number of people unemployed, they think in terms of a single pool of people that are out there month after month with no job. It's an ever-changing pool, except for that little fringe at the top which is, say, at 6 months some of them even then get jobs, but they've been unemployed that long.

And, so, I've been asking for some studies to find out what really is full employment. I remember some years ago we said it was 4 percent. Well, if you check back, you'll find no one did any research to determine is 4 percent the correct figure for the people that will always be either voluntarily in between jobs or just newly entering the job market.

Q. But as we take hope in 110 million people at work, is there not the danger that we will overlook what we must admit are—there are pockets of unemployment—

*The President.* Oh, yes.

Q. —where it's absolutely devastating if not hopeless?

*The President.* Yes, that's why this Job Training Partnership Act that we brought about after we came in—we found that the job training programs of the past have been tremendously expensive. They were spending about as much as it would cost to go to Harvard. Not that I suggest Harvard as an answer to employment. [Laughter] But we found that the job training was, in many instances, training people for jobs that did not exist anywhere near their home area.

So, this partnership thing is a partnership between local government, local industry, and the Federal Government to train people for the jobs that are available in their particular areas. And it has had a job placement rate tremendously higher than any other previous job training programs. So, this is what we must continue to do and even emphasize and do more, as I say, to add more to this, because, yes, the national rate of unemployment doesn't mean that it's evenly distributed.

There are some places—well, I like whenever I'm in a city, including Washington, I like to count the help wanted ads on Sunday in the Sunday paper, those pages of just column after column of employers looking for employees. Well, last week it was around 50 pages in the Washington Post. When I was out in California, it topped 60 pages in the Los Angeles Times. Now, these are employers seeking employees, and it isn't that these are for great skilled jobs for which there just aren't people trained for that. You look at them, and these are a cross section of everything from maids and receptionists and clerk typists and truck drivers and whatever you want to name.

Now, it suggests to me also, then, that maybe the answers, as the demography changes in our country, maybe some of the answer is simply help people move, a redistribution program. And this is part of our program also. It is not only job training; but if it's an area where the whole industrial background has changed, then why not help those people get to places where there is a market for their talent.

*Secretary of Agriculture*

*Q.* Mr. President, there's a job opening in the administration. John Block has resigned. What are your criteria for his replacement? What kind of person should it be? Farmer, businessman, politician?

*The President.* No, it should be just like Jack Block; somebody that's walked in the furrows he's plowed in his own ground and that is a farmer and knows about that. And this is what we'll be looking for, someone with that kind of experience and firsthand knowledge of farm problems.

*Deficit Reduction*

*Q.* Agriculture, Defense, so many Federal programs will be affected when and if Gramm-Rudman takes effect. One of those that's estimated will be seriously affected is the drug interdiction program along our southern borders. Perhaps half their budget might go. How does that reconcile with the priority your administration has put on drug enforcement and interdiction?

*The President.* Well, if I read your question correctly, I think what we're referring to here is the ultimate thing that if the Congress will not agree with proposed cuts, then an enforced cutting that is prescribed—50 percent for defense, 50 percent for the other programs. I hope we never have to come to that. If the Congress will cooperate with us in making the cuts that have to be made where we have selection over them, we'll never have to resort to that sequestering of programs in which you just automatically go in with a meat-ax approach and they're automatically cut. I never favored that part of the legislation at all. We have to have a willingness to cut.

And if you look at the budgeting process—you know, I squirm a little when they keep calling it the President's budget. The President's budget consists of the estimate that the people who have to run the programs under the various Cabinet departments and agencies—what they estimate it will cost them to carry out the programs that have been passed by the Congress of the United States. The President, under the Constitution, can't spend a nickel; it's all dictated. But it's always seemed strange to me in the budgeting process. They've an-

nounced they'll have a program to do something. All right. We turn it over to the people that are going to run that program. And then we sit down with them—long hours around a table like this—about what is it going to cost to achieve the purposes set out by the Congress in that program. And we arrive at a figure that the people are going to have to run the program say, "This is it, and we can do it for this." Then you send it up on the Hill, and you find Congressmen who aren't going to have anything to do with running the program saying, "Oh, no, you got to spend more money than that." And they pass more money than we say is necessary for the program.

*Q.* If I could follow up on Gramm-Rudman, because I think we'll be hearing a good bit of it in the year to come, Mr. President. Some people on the Hill say that was the coward's way out, the Congress' coward's way out of the budget dilemma. Do you agree?

*The President.* If anything, it might have been that part where, if you can't come to a meeting of the minds, you sequester, and it's enforced—the cutting. And no one has to take any blame for it; it's written into the law. It wasn't a coward's way out, if you stop to think. The thing that appealed to me—as a matter of fact, by sheer coincidence, down here in this end of town, I had brought in an idea that why don't we set up a several-year plan for planned reductions of the deficit leading to a point in the future that we can say, "Here, we will have balanced the budget." And then have an amendment to the Constitution that says we have to keep it balanced. And suddenly, realize that up on the Hill are—or learned that they were talking about the same thing, the Gramm-Rudman-Hollings bill. From that part of it, there's nothing cowardly about it. It's a disciplinary measure.

If instead of every year you have to fight over the single budget, whether you can get the cuts to start whittling at that deficit, you have a program that says, "All right, we're all agreed that starting here with the deficits to there, we're going to reduce them annually at a rate that gets us to zero." Then, the discipline that's exerted on

all of us is that if any one of us, on our side or on their side up on the Hill wants or advocates increased spending over and above this 5-year plan, why, they're breaking ranks in a 5-year program that has a definite goal. And I think that this is something that's been lacking for a long time.

#### *Defense Spending*

*Q.* If I can just follow up on that briefly. In facing this discipline, as you say, is it realistic to continue to think that the Pentagon's budget can continue where it is or increase?

*The President.* Well, the Congress itself, in the budget resolution, had passed a resolution that called for in 1987 a 3-percent real growth, and they had agreed to that. I think that it is proper and that we should do it. I don't think there's any way that we can retreat from what is the first and prime responsibility of the Federal Government, which is the security of the United States. Five years ago, when I came here, half the airplanes in our Air Force and in our naval force couldn't get off the ground on any given day because of a lack of spare parts or fuel or lack of pilots. The same thing was true of naval ships that couldn't leave harbor. Well, today we've got a working military. And of all the things I think I can be proud of, that is the thing I'm most proud of, is the young men and women in our country today in uniform. We haven't seen anything quite like it, certainly in peacetime, and in my lifetime.

#### *Cuba-U.S. Relations*

*Q.* It's been 25 years since we've had relations with Cuba. And most of our Latin American friends and Caribbean friends have warmed relations with Fidel Castro. Some of them have normalized relations. And he's sent signals to us that he's ready to sit down and negotiate. Do you see that happening?

*The President.* Such signals were sent to us some time ago in our administration, and we moved immediately. And they were just signals. Nothing resulted from our attempt at having negotiations and talks with them about the problems between us. So, I think the ball is kind of in his court. If he really means it, then let him propose to us some

things he's willing to talk about and redress some wrongs that need redressing.

*Q.* What would he have to do?

*The President.* Oh, I think there are a number of things: restoration of freedom to his own people, the right of those people who were driven from his country to travel back and forth and visit their families and friends, release of political prisoners. Now, we did get some exchange, a small number of those. But we also found out in the Mariel boat exodus to the United States of people—that he loaded us up with some—not political prisoners, prisoners, all right, with records as long as your arm in every kind of brutal crime you can name. And we've been shipping them back to him as fast as we can.

*Q.* Mr. President, could I just for a moment—

*Ms. Mathis.* Mr. President, it's time for you—

*The President.* Oh, shortchanged. [*Laughter*] I'm willing, if that's the end.

*Ms. Mathis.* All right.

#### *Libya and Terrorism*

*Q.* One more terrorism question. Your emphasis in the last few days on Libya and the problems with Colonel Qadhafi give the impression that he is responsible, or that his nation is responsible, for the bulk of the export of international terrorism. Number one, do you believe that? Secondly, if Mr. Qadhafi were to magically disappear from the planet Earth this evening, how much would that reduce the international terrorism problem?

*The President.* But I couldn't give you a figure on that, and I don't know that I've ever indicated that it is the bulk. There are other nations in the world that are surreptitiously helping terrorism along. But we will soon be releasing a white paper on what we know about his financial support, training, things of that kind. And we do have the evidence.

Now, one thing that I can name, just as an example, because this has been out and made public already. The men who are lying in the hospital, wounded, from Rome and the Vienna undertaking, and those that died, those terrorists that died, they were

carrying passports, Tunisian passports. These passports, we happen to know, were the passports that the Libyan Government confiscated from the workers in Libya who had come across the border—as people do here in our own country—to work in Libya, but were from Tunis. And then, because of some arguments he was having with the Tunisian Government, he expelled them from his country, sent them home, and confiscated their passports. So, here turn up some terrorists, and they're carrying the passports that were taken away by the Libyan Government.

Q. And you feel they couldn't have gotten those without the official support of the Libyan Government?

The President. I don't see any way that they could have, no. But there are other things even more potent than that.

Q. How soon will you be releasing—

The President. I don't know what the

schedule is on that.

Mr. Fortier. I think it has been released this afternoon by the State Department.

The President. Being released this afternoon by the State Department.

Q. Thank you, Mr. President.

The President. Thank all of you very much. Appreciate it.

*Note: The interview began at 1 p.m. in the Roosevelt Room at the White House. Participants included Norm Wagy, Storer Communications, Inc.; Andy Cassells, Cox Communications; Jack Hurley, Gannett News Service/Television; John Dimsdale, Post-Newsweek Stations, Inc.; and Gregg Risch, Group W/Westinghouse Broadcasting. Susan K. Mathis was Special Assistant to the President and Director of the Office of Media Relations. Donald R. Fortier was Deputy Assistant to the President for National Security Affairs.*

## Proclamation 5426—National Fetal Alcohol Syndrome Awareness Week, 1986

January 8, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Recent advances in medicine continue to bring out ever more clearly and dramatically the unity and continuity of pre- and post-natal life. Just as we know that the pre-born infant in the womb can now undergo therapies that can contribute to health after birth, we also know that certain types of behavior by the expectant mother can do grave harm to her unborn child, harm that often shows up in the form of serious birth defects.

Fetal Alcohol Syndrome (FAS) is one of the three major known causes of birth defects that may result in mental retardation. Of the three, FAS is the only one that, at present, is totally preventable.

FAS is characterized by such serious health problems as prenatal and postnatal growth retardation, developmental and

learning disabilities, mental retardation, and other physiological abnormalities such as heart, kidney, and skeletal defects.

This knowledge led the Surgeon General of the United States to issue an advisory in 1981, which strongly encourages women who are pregnant or considering pregnancy to avoid the use of alcohol because of the potentially serious adverse consequences. The Surgeon General's advisory also stresses the preventability of these consequences.

The Congress, by Senate Joint Resolution 189, has designated the week beginning January 12, 1986, as "National Fetal Alcohol Syndrome Awareness Week" and authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of January 12 to 18, 1986, as National Fetal Alcohol Syndrome Awareness Week. I applaud the efforts of the medical/scientific community,

the many public and private agencies, organizations, institutions, and concerned citizens who, over the years, have undertaken efforts to prevent FAS and other alcohol-related birth defects. I invite the Governors of the several States, the chief officials of local governments, and all Americans to observe this week with appropriate activities, particularly those that seek to protect the health of children through heightened awareness of the potential adverse effects of

alcohol use during pregnancy.

*In Witness Whereof*, I have hereunto set my hand this eighth day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:36 a.m., January 9, 1986]

## Executive Order 12544—Blocking Libyan Government Property in the United States or Held by U.S. Persons

January 8, 1986

By the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*) and section 301 of title 3 of the United States Code, in order to take steps with respect to Libya additional to those set forth in Executive Order No. 12543 of January 7, 1986, to deal with the threat to the national security and foreign policy of the United States referred to in that Order,

I, Ronald Reagan, President of the United States, hereby order blocked all property and interests in property of the Government of Libya, its agencies, instrumentalities and controlled entities and the Central Bank of Libya that are in the United States, that hereafter come within

the United States or that are or hereafter come within the possession or control of U.S. persons, including overseas branches of U.S. persons.

The Secretary of the Treasury, in consultation with the Secretary of State, is authorized to employ all powers granted to me by the International Emergency Economic Powers Act, 50 U.S.C. 1701 *et seq.*, to carry out the provisions of this Order.

This Order is effective immediately and shall be transmitted to the Congress and published in the *Federal Register*.

RONALD REAGAN

The White House,  
January 8, 1986.

[Filed with the Office of the Federal Register, 5 p.m., January 8, 1986]

## Letter to the Speaker of the House and the President of the Senate on the Blocking of Libyan Government Property in the United States or Held by U.S. Persons

January 9, 1986

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703, and section 301 of the National

Emergencies Act, 50 U.S.C. 1631, I hereby report that on January 8, 1986, I signed Executive Order No. 12544 blocking all property and property interests of the Gov-



ernment of Libya and the Central Bank of Libya that are in or come within either the United States or the possession or control of United States persons, including overseas branches of United States juridical persons. In this Order, I have authorized the Secretary of the Treasury, in consultation with the Secretary of State, to employ powers granted to me by the International Emergency Economic Powers Act to carry out this direction.

A copy of this Executive Order is enclosed. The Order took effect upon signature.

This Order does not apply to the property of Libyan citizens or entities not controlled by the Government of Libya. Moreover, the Order does not confiscate property of the Government of Libya. Such property will continue to belong to the Libyan Government, and financial assets held in U.S. banks and their branches overseas will continue to earn a commercial rate of interest as appropriate.

I have taken these further steps pursuant to the national emergency I declared in Executive Order No. 12543 on January 7, 1986. My reasons for taking these actions are set forth in my letter to you of January 7, 1986, reporting the measures taken in that Order. Based on a continuing assessment of the situation, the steps taken became necessary to carry out the purposes of that Order. They are not intended to deprive the Government of Libya of property but rather are to help assure the orderly management of the dissolution of the United States economic ties with Libya and to protect against the possibility of unlawful Libyan actions which adversely affect American interests.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.*

## Interview With European Journalists on Libya January 10, 1986

*Q.* Mr. President, Colonel Qadhafi warned that as a consequence of American hostility towards Libya, his country could come even closer to the Soviet Union than it already is and that he may transform it into another Cuba. First of all, do you think he could achieve this goal? Secondly, would you prepare to tolerate it, and would this develop into something to be stopped?

*The President.* Well, I don't think there's any question but that the relationship between the Soviet Union and Qadhafi's Libya has been very close. Soviet arms and weapons have been coming in there and stockpiled in there for a number of years. We're well aware of all of that. So, I don't see that there could be very much more than is already going on, and I don't think that the fear of something else or the concern about that should in any way make us unwilling to isolate Libya, as long as Qadhafi insists on backing terrorism the way he is. We can't

allow that to go unanswered in the world.

*Q.* Is it already Cuba?

*The President.* I don't know. I wouldn't hazard a guess on that. It doesn't seem to me that it is in exactly the same kind of satellite position that Cuba is in.

*Q.* Mr. President, the Italian Government has decided to stop sales of arms to Libya and will not allow Italian workers to replace American workers. But it is also said that further sanctions should be decided jointly by Europe and not independently by—[*inaudible*]. Are you satisfied with this measure? Do you feel that Europeans would be able to do something together?

*The President.* I appreciate very much the fact that Prime Minister Craxi has made that statement about not replacing Americans; other states are following suit and saying the same thing. But with regard to it being a joint decision, yes, we would be very much supportive of that. Those who

have made statements that sanctions don't appear to work—well, one of the reasons is because for an individual nation to put forth such sanctions, when their trade or the things that they're trading is available from any number of other suppliers, indicates that maybe sanctions haven't worked because we haven't jointly gone together. And we'd be most pleased if we could sit down with the European community and together say to Qadhafi, "We are going to isolate you in this way unless you will change your ways and give up this backing and promoting of terrorism."

*Q.* But do you feel that the measures that the Italian Government took are enough, or did you expect more?

*The President.* Well, except that his suggesting that on sanctions that there should be a joint discussion of whether this should take place—but, yes, I appreciate very much, as I say, what he has said so far.

*Q.* Mr. President, you said in your news conference that you had irrefutable evidence about Qadhafi's involvement in the Vienna and Rome attacks. Now Mr. Andreotti said that he would want to see more proof. Next week you are sending Mr. Whitehead [Deputy Secretary of State] to Europe. Will he disclose to the European governments some of the evidence that you have?

*The President.* Yes, as a matter of fact, the State Department has released quite a document now. Perhaps some of you have seen it; I know it's available to everyone. Now, that document is based on unclassified information. To go further with classified information would run the risk of revealing some of our sources and so forth—the type of thing you don't want to do. But I'm sure that Mr. Whitehead will be discussing with them this and whatever else can be released at that level to them about the information that we have. And there isn't any question—a matter of fact, the unclassified document that you have makes it pretty evident that he is widely connected. We know for a fact that he's met a few times in just recent months with Nidal.

*Q.* Mr. President, one question. Are you disappointed by the Europeans' attitude so far, and what kind of minimum cooperation do you expect from them?

*The President.* Well, I was not totally surprised. I recognize the problems they have in many of them with trade on a far larger scale than we have, but I have to say that I think there is a moral issue involved here with regard to a sovereign state that is so obviously resorting to terrorism literally against the world. And I am hopeful that, as they continue to consider this and learn more facts—and that's why Mr. Whitehead's mission—that we may find that we can come together on isolating this outlaw among the world's nations.

*Q.* Mr. President, could I ask what your reaction would be to the suggestion by Senator Howard Metzenbaum that perhaps the time had come to consider assassination.

*The President.* No, I was quite surprised at that. You don't join them at their level; terrorism in response to terrorism is not the answer. It is terrorism that is the evil. When I mentioned a moment ago about—there is a moral issue involved here. This is what I'm hoping that our friends and allies will consider. Can we place trade, everyday relationships, ahead in value of the immorality that is inherent in people who will come in, as they did, into an airport and just simply shoot human beings that were there—men, women, children—with no regard to what participation those people have in anything that's going on?

*Q.* So, you may have anticipated that reaction and also the reaction of the Arab States. In that case, why did you feel that you needed to go on with sanctions?

*The President.* Well, for one thing, we were a little defenseless with regard to taking actions in response to this terrorism while so many of our citizens were there and potential hostages. So, we felt that we should untie our hands with regard to whatever action might be necessary in the future. And, as I say, I'm hopeful that our allies might see that sanctions can be successful if enough of us do it.

*Q.* Sir, could I ask, if the Europeans still show reluctance after Mr. Whitehead's visit and after your evidence that you've shown them and they take a position that you feel is not fully supportive, are you afraid that this might develop into a kind of split with the European allies such as developed over

the Soviet gas pipeline?

*The President.* I think our relationship is too strong for this. It certainly would not make us turn on them, and I'm quite sure that they desire to keep the relationship the way it is. I don't believe that there has ever been a time when the outright friendship between governments, or allies, has been as strong as it is now.

*Q.* Mr. President, the Austrian Government has, as recently as yesterday, made a point again that she has no information of Libyan involvement in the airport attacks. Since Austria, as a matter of principle, does not impose sanctions on any country except if it is in accordance with United Nations Security Council resolution, what would you expect the Austrian Government to do?

*The President.* Well, they've taken some positions, as you say, on a matter of principle, not just aimed at this particular incident. On the other hand, perhaps if we make available to them the information that does indicate the guilt of Libya, they might reconsider and realize that this was an assault, literally an act of war, against Austria.

*Q.* You have not yet made available all the information, I understand from your answer now, Mr. President.

*The President.* Well, as I say, Mr. Whitehead is going; and to some of our immediate allies, such as in the economic group, I have asked our people to send on my behalf, personally, to the heads of state this document that I was describing a little while ago.

*Q.* Mr. President, Qadhafi has threatened to hit American bases in Europe and the people around them. And Italy is particularly exposed in this case. Do you take the threat seriously? Have you done anything about it?

*The President.* Oh, I think we have to take the threat seriously. As I said in the press conference the other day, through our intelligence and our cooperation with other countries in their intelligence gathering, we have been able to abort 126 terrorist missions in the last year alone. So, yes, we take those threats seriously.

*Q.* But do you know anything about this particular threat?

*The President.* Only that they have been

quite open and public in declaring that we are a target. A matter of fact, he hasn't weighed his words carefully at all with regard to his feelings about us.

*Q.* Sir, in Geneva you spoke with Mr. Gorbachev about terrorism after the Soviet Union, itself, and its diplomats became a victim of terrorism in Lebanon. Did you feel after the summit that there was a certain common understanding between the superpowers concerning terrorism? And what do you make out of the recent Soviet reactions as, for example, today Foreign Minister Shevardnadze, who said that the American actions threaten Libyan sovereignty?

*The President.* Well, I've recognized that there are certain elements of propaganda that go on in this relationship. But at the same time, in my talks with Mr. Gorbachev, he expressed his repugnance, the feeling that he had of repugnance for terrorist acts.

*Q.* Mr. President, don't you think that the sanctions will have an impact, whether they're positive or negative, on the peace process now going on?

*The President.* I don't really. I don't think that there would be a setback with regard to that peace formula. We're having some problems with it, with moving forward on the peace process. I have to tip my hat to King Hussein, who has been most courageous in trying to carry this forward. And I believe that we have established some basis of trust with many of the Arab States, and I don't think that that will be actually affected by this.

*Q.* But the reaction of the Arab States were not exactly positive at this time.

*The President.* Well, I think there was maybe some feeling that publicly they had to stand together in the world today as it is. But I haven't seen any real evidence of a falling away of relationships with us.

*Q.* Mr. President, may I just ask you one more Austria-related question. What is your evaluation of the fact that Austria—which has very close connections with the Arab countries, which has tried to at least have some moderating effect on Yasser Arafat, has welcomed Qadhafi in Vienna a couple of years ago—that Austria was chosen by the terrorists as one of their sites for their

attacks? What does this prove, or does it prove anything?

*The President.* The only thing I know is that I have had a report that Austria is holding in jail at least three members of the Abu Nidal group. And this, in itself, could be a reason for them taking an action in an effort to blackmail Austria into releasing its members.

*Q.* Sir, Qadhafi said at his press conference yesterday that you had concentrated on the activities of Palestinian terrorism—I think he used that word—and ignored the root causes for it. What would your reaction be to that?

*The President.* Well, again, Mr. Qadhafi's speaking quite loosely and without any regard to the truth and the facts. We have said from the very beginning in the peace process that the problem of the Palestinian refugees had to be a part of the peace process and there had to be a resolution of that problem, and we still feel that way.

*Q.* Mr. President, economic sanctions against Libya would evidently hurt the German economy. The sanctions you have ordered do not necessarily hurt the American economy. If Chancellor Kohl, for example, would sit here with us, how would you try to explain to him that it might be worthwhile in the long term to pay a price?

*The President.* Well, as I say, I understood the problems of some of our allies and friends. Their trade is on a greater basis than ours. And a matter of fact, we're probably the lowest on the ladder of trade with Libya, and this due in part to the fact that we already had partial sanctions that were put in effect a few years ago. So, I'm aware of that, and I know that problem.

Again, though, I have to point out: Is it a permanent trade that they can go on then—and we've seen the newsreels on television—the armed guards, the military forces, policemen carrying submachine guns and so forth at the airports and the various public buildings of countries such as West Germany and the others, the United Kingdom, all these other allies—can they see this as a fair trade? That in return for maintaining economic relations, that their countries must continue in this armed state with this sense of insecurity? What is going to happen to international travel? I have had

any number of people that, just coming in casual contact with, have gone out of their way to tell me that they'd canceled any plans for travel, whether it is business or pleasure. Now, is this a fair exchange for retaining the trade? And remember, I don't think you should think of the sanctions as something that is forever. You think of it as something that says straighten up and fly right to Mr. Qadhafi, and then things will change.

*Q.* Mr. President, you said before that having taken the Americans away, you feel more secure about acting towards Libya. There are 16,000, 15,000 Italians over there. Are you assuming that your next step should be the use of force?

*The President.* No, as a matter of fact, you have me here; I can't discuss things of that kind. I think Mr. Qadhafi would be pleased to hear my answer, but, no, I can't answer that. I just say that I think that we should be ready for any contingency.

*Q.* So, when would you be satisfied that Qadhafi had ended his links with terrorism to the point where you could form a new, useful relationship and remove the sanctions?

*The President.* Oh, I think it would have to be more than words; I think by deeds alone. For example, in reading this material there, you will find he does engage in training and in financing—through accounts in many of the banks, including banks in Europe as well as the United States—terrorist movements. He would have to reveal by action that he has severed those connections and is no longer backing these terrorist groups.

*Q.* So, you would have to be satisfied there was no financial link, no training camps left in Libya—

*The President.* Right.

*Q.* —no support.

*The President.* Yes.

*Q.* Mr. President, did you not have about 1 year ago, when you were in Los Angeles for the Olympic games, an approach by the Italian Foreign Minister about starting discussion with Qadhafi? Did you not have any attempt either from Middle Eastern—

*The President.* I'm trying to recall—

*Q.* —diplomats or European diplomats

so that you can open a dialog?

*The President.* I'm trying to recall, but I do know that there have been proposals of that kind. And before anything could be done, why, he would do something else that made it rather impossible.

*Q.* Do you think the Austrian Government could be helpful in trying to exert any moderating influence on Qadhafi?

*The President.* Well, I don't know whether any one country could. But as I say, I would think that if basically the Western World said, "The line is drawn; we're no longer going to tolerate this activity"—

*Q.* So, again, you do not expect any problems with the allies in the next few weeks regarding the mission and so on?

*The President.* Well, no. We'll try to explain our position to them and, very frankly, try to persuade them that they do have a very real stake in this. I've been in most of those airports in all of those other countries that we're talking about sometime or other. No, I've not been in Austria. I have missed Austria.

*Q.* Yes. Will you come to Austria soon, Mr. President?

*The President.* Well, I would like to.

*Q.* Any plans?

*The President.* What?

*Q.* Any plans so far?

*The President.* Well, not with the things that are lined up between summits and the economic conference that will be held in Japan and so forth. I'm not exactly a free agent when it comes to going where I want to go. [Laughter] There are people that tell me where I'm going. But, no, but I'd like

that. But I say, in seeing that and now seeing the extent of those security measures that I described, I just—as I say, I feel that action—we must make it plain that we're not going to put up with that.

*Q.* Could you raise the question again with Mr. Gorbachev when you meet him? I mean, this question of terrorism. I mean—

*The President.* Oh, I'm quite sure we'll be discussing that.

*Q.* Are you now?

*The President.* As a matter of fact, it doesn't have to wait until a meeting. He and I have stayed in communication with each other, exchanging messages.

*Q.* Did you send him a message? Relay this to—

*The President.* What?

*Q.* Did you send him a message related to the Vienna and Rome attacks?

*The President.* Not in these last few weeks related to this. But not too long ago we had an exchange on other issues.

*Q.* Thank you, sir.

*Note: The interview began at 1:05 p.m. in the Oval Office at the White House. Participants included Henri Tierre of Le Monde, France; Leo Wierland of Frankfurter Allgemeine Zeitung, Federal Republic of Germany; Michael Binyon of the Times of London, United Kingdom; Ennio Carretto of La Stampa, Italy; and Georg Possaner of Die Presse, Austria. The transcript of the interview was released by the Office of the Press Secretary on January 11.*

## Radio Address to the Nation on Economic Growth January 11, 1986

*My fellow Americans:*

Just this week, we had some very good economic news. Jobs are up, and unemployment is down—all the way down to 6.8 percent, the lowest rate in more than 5½ years. So, I'd like to talk to you today about the new strength of the American economy and what we can do to keep our economy growing.

You'll remember that when our administration took office in 1981, inflation was raging in the double digits. Today inflation is down to less than 4 percent. In 1981 interest rates were soaring. The prime rate reached more than 20 percent, and interest rates generally were at the highest level since the Civil War. Now interest rates have

tumbled; the prime itself has dropped by more than half, and we expect long-term interest rates to drop still further.

When we took office, strong economic growth seemed an impossible dream. Today we're enjoying one of the strongest economic expansions since the end of World War II. Business productivity in the third quarter of 1985 increased at a strong annual rate of 3.7 percent. Real business fixed investment, as a share of real gross national product, hit a record high in 1984, rose to a new high in 1985, and is reaching for yet another historic high. This investment means our economic engines are being recharged with new means of production—new high-tech equipment like computers, communications systems, and electronic gear—and at a faster rate than ever before.

Perhaps the best news concerns the creation of jobs. During 1985 alone, the number of payroll jobs increased by 3 million; and today almost 110 million Americans are employed, the largest proportion of the Nation's population in our history. Last weekend in the *Washington Post*, I noticed that there were almost 50 pages of help wanted ads. And since September 1982, according to the Conference Board, the nationwide help wanted index has almost doubled—a sure sign of economic vitality. Unemployment, as I mentioned, is down to 6.8 percent. When you focus only on those who've been unemployed 27 weeks or longer, the number drops still lower.

And, even here, in the case of the long-term unemployed, there is hope in the form of our Job Training Partnership Act. This act replaced old programs that were training people for jobs that didn't exist anywhere close by and spending as much to do it as it costs to send someone to a good college. Our job act combines Federal efforts with those of State and local industry to train people for jobs that are close at hand. It costs less and succeeds more often, much more often.

The economy is in better shape today because we've worked hard to get the Federal Government out of your pockets and off your backs. We've cut taxes, limited government regulation, supported sound monetary

growth, and taken commonsense steps like deregulating the price of oil. This last measure made oil prices tumble and brought OPEC, the oil cartel that used to push us around, to its knees. But now we must force the Government to go on facing up to its responsibilities, most notably to reform our entire system of taxation and to bring Federal deficit spending to an end.

The Gramm-Rudman-Hollings amendment, which I signed into law in December, calls for us to deal with deficit spending head on. It mandates smaller and smaller Federal deficits until 1990, when the Federal Government will have a balanced budget at last. But while the amendment tells us that we must bring deficit spending to an end, it leaves crucial questions about just how to do so unanswered. Well, I will continue to say that as far as I'm concerned, a tax increase is out. I, furthermore, intend to insist upon the maintenance of a strong national defense as the first duty of government to the people. Instead, our administration will meet its Gramm-Rudman-Hollings obligations by submitting budgets which eliminate government inefficiency and curtail needless expenses like vast amounts for Amtrak and subsidies for those who don't need them.

On tax reform, we want to make corporate rates lower and bring down individual rates for you, the American people, in order to provide the incentives that spur economic growth. The tax reform bill passed last year by the House has its weak points, but it succeeded in lowering both corporate rates and income tax rates for most individuals. Now the bill goes to the Senate. We'll have a chance to improve it, but, believe me, the special interests are going to be there, lobbying just as hard as they can. If we're to protect the interests of all the people, I'm going to need your support.

My friends, I'm convinced that with your help we can succeed on both these issues, giving the people tax reform and the Government a sense of fiscal responsibility. Together, we'll build on the economic successes we've already achieved and lead America on into a new era of opportunity and growth.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## **Statement by Principal Deputy Press Secretary Speakes on Iran's Search of the United States Merchant Ship *President Taylor*** *January 13, 1986*

Iran's practice of stopping neutral shipping in the Gulf has now been carried out for approximately 5 months and has involved stopping vessels from Kuwait, Italy, West Germany, Denmark, Yugoslavia, Poland, and Japan, among others. The rules of naval warfare have traditionally accorded a belligerent certain rights to ascertain whether neutral shipping is being used to provide contraband to an opposing belligerent. We are continuing to assess the facts of this particular incident, not all of which are yet known, to determine whether this stop and search was appropriate under the circumstances.

Nevertheless, we consider the Iranian policy of stopping and searching neutral shipping in the Gulf region to be one of the significant consequences created by the

Iran-Iraq war. The dangerous conflict between Iran and Iraq now continues because of Iran's intransigent refusal to participate in a negotiated solution. We have stated our deep concern about this incident because of the danger of misunderstandings, overstepping of rights and norms, and even violence, which are inherent in all ship search incidents. The United States Government repeats its call for Iran to change its position regarding a solution to the conflict, and again calls for the earliest possible end to the war, with the sovereignty and territorial integrity of both sides intact.

*Note: Larry M. Speakes read the statement to reporters at 12:15 p.m. in the Briefing Room at the White House.*

## **Proclamation 5427—Save Your Vision Week, 1986** *January 13, 1986*

*By the President of the United States of America*

### *A Proclamation*

Of all the blessings that Americans enjoy, few are more important than good vision. It is this priceless gift that enables us to behold the great beauty of our country and take full advantage of the many opportunities it offers. Yet too many of us take the gift of sight for granted, and each year thousands suffer vision loss that could have been prevented. To avoid such tragedy, all of us must be more aware of what each of us can do to protect our eyes and safeguard our eyesight.

The most important sight-saving precaution is to have regular eye checkups. Such

examinations can provide valuable warning of incipient eye diseases that could endanger our vision. Early detection is invaluable, because eye research has produced new treatments that can halt many potentially blinding diseases before they have a chance to impair vision.

For people with diabetes, eye examinations offer an especially good chance to benefit from sight-saving discoveries. Research sponsored by the National Eye Institute has shown that laser treatment can help many people who are at risk of visual loss from diabetic eye disease if the condition is detected early. Anyone with diabetes should be made aware of the importance of regular eye care.

Routine eye examinations are important

for people who are middle-aged or older, because that is when many eye diseases have their onset. With regular eye care and prompt attention to conditions that need treatment, most Americans can be free of disabling visual impairment in their later years.

Children also need early and regular eye examinations. Even the healthiest-looking child may have some unsuspected visual problem that needs prompt attention. A routine checkup can detect such disorders in time for effective treatment, sparing the child a needless handicap.

Guarding against eye injuries is important for everyone. In the home as well as in the workplace, people should wear a face mask, goggles, or safety glasses when working with chemicals or machinery that might be dangerous to the eyes. People participating in sports should use appropriate protective eyewear. And children should be taught the basic principles of eye safety.

In addition to saving our own vision, we can give the gift of sight to others after our death. By arranging to become eye donors, Americans can help insure that our Nation's eye banks will be able to continue supplying the precious tissue needed for sight-restoring corneal transplant operations.

We should also support the excellent voluntary organizations that seek to prevent blindness and improve the lives of the visually handicapped. Through their programs

of eye research, public education, and special services to people with low vision, these groups make an enormous contribution to the public good.

To encourage our citizens to cherish and protect their sight, the Congress, by joint resolution approved December 30, 1963 (77 Stat. 629, 36 U.S.C. 169a), has authorized and requested the President to proclaim the first week in March of each year as "Save Your Vision Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning March 2, 1986, as Save Your Vision Week. I urge all Americans to participate in this observance by making eye care and eye safety an important part of their lives. Also, I invite eye care professionals, the communications media, and all public and private organizations committed to the goal of sight conservation to join in activities that will make Americans more aware of the steps they can take to protect their vision.

In Witness Whereof, I have hereunto set my hand this thirteenth day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:51 a.m., January 14, 1986]

## Proclamation 5428—National Poison Prevention Week, 1986 January 13, 1986

*By the President of the United States  
of America*

### *A Proclamation*

March 16–22, 1986, will mark the 25th observance of National Poison Prevention Week. During the past quarter-century, there has been a remarkable reduction in childhood poisonings. In 1961, when Congress passed the law authorizing this annual proclamation, some 450 children under five years of age were killed each year in poi-

soning accidents. By 1983 (the last year for which we have complete statistics), the annual death toll for children under five had dropped to 55—an 88% reduction. Some of this improvement can be attributed to the use of child-resistant packaging, while another contributing factor is increased public awareness of the need to keep medicines and household chemicals out of the reach of children.

For the past 25 years, the Poison Prevention Week Council has coordinated a net-



work of health, safety, business, and voluntary organizations in an effort to raise public awareness and to observe National Poison Prevention Week. The Consumer Product Safety Commission, which serves as the secretariat for the Poison Prevention Week Council, administers the Poison Prevention Packaging Act. This Act requires that 16 categories of hazardous household products, including prescription drugs, must be sold in child-resistant, safety packaging. Over the past two and a half decades, poison prevention programs have been implemented at the local level by poison control centers, safety councils, pharmacies, departments of health, hospitals, and many others. All of these organizations deserve great credit for a quarter of a century of success in raising public awareness of poison prevention and in sharply reducing the annual death toll.

We must continue to emphasize the need for poison prevention. Since children are particularly liable to accidental poisoning, their guardians should be informed of the need to use child-resistant packaging and to keep potential poisons out of the reach of

children.

To encourage the American people to learn about the dangers of accidental poisonings and to take preventive measures, the Congress, by a joint resolution approved September 26, 1961 (75 Stat. 681), authorizes and requests the President to issue a proclamation designating the third week of March in each year as National Poison Prevention Week.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning March 16, 1986, as National Poison Prevention Week. I call upon all Americans to observe this week by participating in appropriate observances and programs.*

*In Witness Whereof, I have hereunto set my hand this thirteenth day of January, in the year of our Lord nineteen hundred and eighty-six and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:52 a.m., January 14, 1986]*

## Nomination of Paula V. Smith To Be Administrator of the Wage and Hour Division in the Department of Labor

*January 13, 1986*

The President today announced his intention to nominate Paula V. Smith to be Administrator of the Wage and Hour Division, Department of Labor. She would succeed William M. Otter.

Since 1981 she has been director of the Department of Labor and Industrial Relations in St. Louis, MO. Previously, she was with Trans World Airlines in Kansas City, MO, in 1960–1981, serving in various posi-

tions including manager of professional training and development (1979–1981); manager of sales and services training (1977–1979); field manager of the task force (1976–1977); and senior analyst (1974–1976).

Mrs. Smith graduated from Washington University (B.S., 1972) and St. Louis University (M.B.A., 1977). She is married, has three children, and resides in St. Louis, MO. She was born April 4, 1933, in St. Louis, MO.

## **Nomination of Janet Hale To Be an Assistant Secretary of Transportation**

*January 13, 1986*

The President today announced his intention to nominate Janet Hale to be an Assistant Secretary of Transportation (Budget and Programs). She would succeed Donald Allen Derman.

Since May 1985 Ms. Hale has been serving as Acting General Deputy Assistant Secretary for Housing-Federal Housing Commissioner at the Department of Housing and Urban Development (HUD). Previously, she served at HUD as Deputy Assistant

Secretary for Policy, Financial Management and Administration (1982-1985) and Special Assistant to the Secretary and Director of the Executive Secretariat in 1981-1982. She was special assistant to Senator Edward W. Brooke (R-MA) in 1977-1979.

Ms. Hale graduated from Miami University (B.S., 1971) and the Kennedy School of Government at Harvard University (M.P.A., 1980). She was born April 2, 1949, in Buffalo, NY, and now resides in Washington, DC.

## **Nomination of Mark N. Blitz To Be an Associate Director of the United States Information Agency**

*January 13, 1986*

The President today announced his intention to nominate Mark N. Blitz to be an Associate Director of the United States Information Agency (Educational and Cultural Affairs). He would succeed Ronald L. Trowbridge.

Mr. Blitz is currently serving as a senior professional staff member, Committee on Foreign Relations, United States Senate. Previously, he was Director of the Office of

Private Sector Programs at the United States Information Agency in 1983-1985. He was Acting Associate Director and then Assistant Director of ACTION in 1981-1983.

Mr. Blitz graduated from Harvard University (A.B., 1966; Ph.D., 1971). He is married, has two children, and resides in Fairfax, VA. He was born March 15, 1946, in Brooklyn, NY.

## **Nomination of David B. Rohr To Be a Member of the United States International Trade Commission**

*January 13, 1986*

The President today announced his intention to nominate David B. Rohr to be a member of the United States International Trade Commission for the term expiring December 16, 1994. This is a reappointment.

Since 1984 he has been serving as a Commissioner of the International Trade Commission. Previously, he was at the Subcommittee on Trade, Committee on Ways and

Means, U.S. House of Representatives, as staff director (1980-1984) and professional staff member (1974-1980). He was Director of the Trade Negotiations and Agreements Division, Office of International Trade Policy, U.S. Department of Commerce, in 1970-1974. He was an international economist in the Office of Commercial and Financial Policy, U.S. Department of Commerce, in 1961-1970.

He graduated from Colorado State University (B.S., 1958). He is married, has two

children, and resides in Laurel, MD. He was born April 18, 1933, in Hartford, CT.

## **Nomination of Bohdan A. Futey To Be Chairman of the Foreign Claims Settlement Commission of the United States**

*January 13, 1986*

The President today announced his intention to nominate Bohdan A. Futey to be Chairman of the Foreign Claims Settlement Commission of the United States, Department of Justice, for the term expiring September 30, 1988. This is a reappointment.

Since 1984 Mr. Futey has been Chairman of the Foreign Claims Settlement Commission of the United States. Previously he was a partner in the law firm of Bazarko, Futey & Oryshkewych in Parma, OH (1975–1984).

He was executive assistant to the mayor of Cleveland and director of the bicentennial for Cleveland (1974–1975) and chief assistant police prosecutor for the Cleveland law department (1972–1974).

Mr. Futey graduated from Western Reserve University (B.A., 1962; M.A., 1964) and Cleveland Marshall Law School (J.D., 1968). He is married, has three children, and resides in Washington, DC. He was born July 28, 1939.

## **Proclamation 5429—National Day of Prayer**

*January 13, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Prayer is deeply woven into the fabric of our history from its very beginnings. The same Continental Congress that declared our independence also proclaimed a National Day of Prayer. And from that time forward, it would be hard to exaggerate the role that prayer has played in the lives of individual Americans and in the life of the Nation as a whole.

Our greatest leaders have always turned to prayer at times of crisis. We recall the moving story of George Washington kneeling in the snow at Valley Forge to ask for divine assistance when the fate of our fledgling Nation hung in the balance. And Abraham Lincoln tells us that on the eve of the Battle of Gettysburg, "I went into my room and got down on my knees in prayer." Never before, he added, had he prayed "with as much earnestness."

More than once, Lincoln also summoned

the entire Nation to its knees before the God in Whose hand lies the destiny of nations. It was, he said, "fit and becoming in all peoples, at all times, to acknowledge and revere the Supreme Government of God . . . and to pray with all fervency and contrition. . . ."

After the shock of Pearl Harbor, Franklin Roosevelt told us he took courage from the thought that "the vast majority of the members of the human race" joined us in a common prayer for victory as we fought for "freedom under God."

Prayer, of course, is deeply personal: the way in which it finds expression depends on our individual dispositions as well as on our religious convictions. Just as our religious institutions are guaranteed freedom in this land, so also do we cherish the diversity of our faiths and the freedom afforded to each of us to pray according to the promptings of our individual conscience.

Yet the light of prayer has a common core: it is our hopes and aspirations; our sorrows and fears; our deep remorse and

renewed resolve; our thanks and joyful praise; and most especially our love—all turned toward God. The Talmud aptly calls prayer the “service of the heart,” and Christ enjoins us to “pray without ceasing.”

Accordingly, like the Presidents who have come before me, I invite my fellow citizens to join me in earnest prayer that the God Who has led and protected us through so many trials and favored us with such abundant blessings may continue to watch over our land. Let us never forget the wise counsel of Theodore Roosevelt that “all our extraordinary material development . . . will go for nothing unless with that growth goes hand in hand the moral, the spiritual growth that will enable us to use aright the other as an instrument.”

In prayer, let us ask that God’s light may illuminate the minds and hearts of our people and our leaders, so that we may meet the challenges that lie before us with courage and wisdom and justice. In prayer let us recall with confidence the promise of old that if we humble ourselves before God and pray and seek His face, He will surely hear and forgive and heal and bless our land.

By joint resolution of the Congress approved April 17, 1952, the recognition of a

particular day set aside each year as a National Day of Prayer has become a cherished national tradition. Since that time, every President has proclaimed an annual National Day of Prayer, resuming the tradition begun by the Continental Congress.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Thursday, May 1, 1986, as National Day of Prayer. I call upon all Americans to join me in prayer that day. I ask them to gather in their homes and places of worship with their ministers and teachers of religion and heads of families, to give thanks for every good thing God has done for us and to seek His guidance and strength in the conduct of our lives.

In Witness Whereof, I have hereunto set my hand this thirteenth day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:31 p.m., January 14, 1986]

Note: The proclamation was released by the Office of the Press Secretary on January 14.

## Remarks at the Welcoming Ceremony for President León Febres-Cordero Ribadeneyra of Ecuador January 14, 1986

*President Reagan.* President and Mrs. Febres-Cordero, other distinguished guests, it gives me great pleasure to welcome you as friends of the United States and as friends of human freedom.

Ecuador’s return to elected government in 1979 was one of the first waves of a rising tide of liberty witnessed throughout the hemisphere. President Febres-Cordero, we have watched with admiration as you and your government have strived to come to grips with the serious threats to Ecuador’s economic, political, and social well-being. You are an articulate champion of free enterprise and those democratic ideals

that are close to the hearts of the American people. All those who love liberty are impressed with your courage and responsibility in attacking not just the symptoms but the underlying causes of misery, poverty, and unemployment. Mr. President, by protecting your country’s good name and creditworthiness, by avoiding simplistic solutions and quick fixes, by unleashing the economy, building forces of the marketplace, you are leading your country to a better tomorrow.

Your uncompromising faith in political freedom is consistent with your support of economic freedom. We applaud your efforts to bolster the democratic institutions of

your country. We also applaud your moves to encourage private sector growth and invigorate your economy. The United States stands by your side, and we will continue to do all we can to help. When I say the United States stands with you, that is especially true when it comes to your determination to defeat the twin menace of international terrorism and narcotics trafficking. You've put yourself on the line against these vile and insidious forces. Your courage and integrity and that of your people have not gone unnoticed here. Drug traffickers and terrorists are the enemies of all decent people, and the United States is proud to be your ally in this brave struggle.

In a speech to your countrymen, Mr. President, you advised your citizens to "stand up when it is a matter of defending honor and freedom." Well, that is exactly what Ecuador under your leadership has been doing. Few countries in the hemisphere have made the tough public stand against dictatorship, left and right, as has Ecuador. As you have pointed out on several occasions, democracy and the protection of human rights is the surest way to peace as well as freedom. It is no mere coincidence that those few nations controlled by oppressive Communist regimes can be tied to so much of the turmoil and bloodshed that is plaguing this hemisphere. It should surprise no one that the rifles used to take over a court building and murder judges in a democratic nation can be traced to a country controlled by those who don't believe in freedom, human rights, or democracy. Democracies can no longer afford to ignore this unfortunate fact of life.

Your voice, Mr. President, is doing much to alert the freedom-loving people of this hemisphere to this continuing danger. The path of democracy, peace, and free enterprise is often difficult; but with courage, moderation, and wholehearted commitment, you're leading your people down that path. In doing so, you are not only building a stronger Ecuador, but you're contributing to a more peaceful and secure hemisphere. The dream of freedom and opportunity is the property of no one country. It is the birthright of every American, and that means every person from the North Slope of Alaska to the tip of Tierra del Fuego. We

are all Americans.

And today we are proud to welcome you, President Febres-Cordero, as the leader of free people, as a man with a deep and abiding conviction, and as a statesman we respect and admire. President Febres-Cordero, welcome.

*President Febres-Cordero.* President Reagan, Mrs. Reagan, distinguished guests, ladies and gentlemen, for my wife and me, it is a great satisfaction to be received on this state visit by you, Mr. President, and by your wife. It is always a pleasure for a President of Ecuador to visit the United States. The long tradition of friendship between our peoples and the identification with the same democratic principles makes the return of an Ecuadorian chief of state to this great country not only enjoyable but also stimulating.

The fact that the United States of America and the rest of our continent share the same historic goals is not a recent phenomenon. It began with simultaneous battles to obtain political independence, and it continues today with the present defense of democracy, of liberty, and of individual rights—a defense which has meant a long series of shared efforts. During moments of particular anguish in international relations, from that era of a struggle to claim the value and use of the American wealth from commercial monopolies until the tremendous confrontation of the Second World War, our peoples have been united, and our governments have enjoyed very strong cooperation. This historical path becomes especially important when a government in the United States headed by you, Mr. President, coincides with an Ecuadorian government headed by me, both working toward common goals: to vigorously restore to our peoples the pride of belonging to their respective countries; to revitalize economies that have suffered setbacks; to return to the individual and groups the right to carry out initiatives without the need for bureaucratic interference, with the understanding that the state exists to serve the individual, not to be served by the individual.

The cooperation between our peoples and governments, and international cooperation in general, are indispensable to con-

front the problems the world is experiencing. The goal of that remarkable man of our times, His Holiness John Paul II, of making 1986 the year of peace requires us to adopt important attitudes. Peace must come from the fact that between human beings there exists the willingness to cooperate and that hope grows within every human being. Peace must be based on the concept of justice, law, and harmony.

Peace, unfortunately, nowadays has great enemies: the savagery of terrorism, which in its evil neither respects nor distinguishes among people, places, or circumstances; its ally, drug trafficking, which corrupts and destroys physical and moral integrity. Governments, which consider that man is at the center of creation and that man is the main act of history, should cooperate to combat these crimes against humanity. Peace has also another enemy: the agents of war, the ideological motivators of aggression, which contribute to the unjustifiable arms buildup. It will only be possible to have true and enduring peace in our world when, through the willingness of all men, a disarmament process may start in the world.

My country, Mr. President, is a country with a pacific tradition. Neither violence nor the abuses of power that affect certain parts of the world have ever taken root in our land. We practice a democratic system which we seek to expand and to perfect, since we believe that it allows for the best social organization. It is only by prevalence of democratic regimes that stem from the sovereign will of our people that our continent and the whole world will be able to enjoy a true and enduring peace. We are careful of service of the standards of human rights generated by national and international laws. There is no conflict, we believe, between respecting those rights and exercising a serene but determined authority. To use power to guarantee to the 9 million Ecuadorians who have the right to work, to be educated, to live fully is an imperative which coincides perfectly with the fight against lawlessness; above all, that lawlessness, which in its cruelest form, terrorism, undermines society with the greatest savagery and cruelty. In no way does it deny criminals the protection provided to them by the law, but neither does it allow them

to go unpunished for their crimes.

Mr. President, Ecuador has met its international obligations in an effort which has been widely recognized by the international press and the world financial community. We have successfully rescheduled our foreign debt. We have regained our prestige as a serious country, which we have gained after many years of fruitful and responsible economic relationships with all countries of the world. We have been able to recover our economy, as all indicators clearly show. We have achieved this through a reasonable application of sound economic policies: letting the market play its fair role and allowing for free initiative to flourish. We have promoted harmony between labor and capital within the observance of law and order. We have not at any time neglected—and it keeps being our main concern—these social policies. Those are the final objectives of our action. It is undoubtedly the well-being of our people what we are looking for with all our energies. Social welfare, within the framework of justice it is the most appropriate soil for peace to flourish. Without peace and the well-being of all our peoples, the stability of this whole hemisphere is in danger.

In order to achieve social well-being, we require the solidarity and cooperation from those who are capable of working together with us, from those who have the capacity to assist us. We have to demonstrate to the world that there is no need of despotism, that there is no need of collectivism, to mitigate our people's sufferings. Yes, Mr. President, we wish to prove that with liberty and free initiatives, it is indeed possible to reach standards of living which are adequate to the human being.

I am sure, Mr. President, that this visit, which originated from your generous hospitality and that of the people of your country, will bring our two nations closer in strengthening their common ideals, and at the same time it gives my wife and me the opportunity to reaffirm our sincere friendship for you and your esteemed wife. Thank you.

*Note: President Reagan spoke at 10:11 a.m. at the South Portico of the White House,*

where President Febres-Cordero was accorded a formal welcome with full military

honors. Following the ceremony, the two Presidents met in the Oval Office.

## Executive Order 12545—National Commission on Space *January 14, 1986*

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 109 of the National Aeronautics and Space Administration Authorization Act of 1986 (Public Law 99-170), and in order to extend the time within which the National Commission on Space may submit its plan and recommendations, it is hereby ordered that Section 2(b) of Executive Order No. 12490

is amended by deleting the words "12 months" and inserting in lieu thereof the words "18 months".

RONALD REAGAN

The White House,  
January 14, 1986.

*[Filed with the Office of the Federal Register, 10:56 a.m., January 15, 1986]*

## Message on the Observance of Martin Luther King, Jr. Day *January 14, 1986*

I am pleased to send my warm greetings to all those celebrating our nation's first observance of Martin Luther King, Jr. Day as a Federal holiday.

Dr. King forged a dream out of the values of his religion and the ideals of our nation's founders. He cherished the dream of a world where human dignity was respected, human rights were protected, and all stood equal before the law. Like Lincoln, he sought the full realization of the principles set forth in our Declaration of Independence.

So, as we celebrate the birth of Martin Luther King, Jr., let us recommit ourselves to living his dream. As we rejoice in his achievements and mourn again his untimely death, let us emulate the profound faith and the deep love for humanity that inspired him. Let us work without tiring for a world at peace, in which justice and freedom prevail.

Nancy joins me in wishing all of you a celebration filled with joy and meaning.

RONALD REAGAN

## Message to the House of Representatives Returning Without Approval the Bill To Establish a Wildlife Refuge at Cape Charles, Virginia

*January 14, 1986*

*To the House of Representatives:*

Since the adjournment of the Congress has prevented my return of H.R. 1404 within the meaning of Article I, section 7, clause 2 of the Constitution, my withhold-

ing of approval from the bill precludes its becoming law. Notwithstanding what I believe to be my constitutional power regarding the use of the "pocket veto" during an adjournment of Congress, however, I am

sending H.R. 1404 to the House of Representatives with my objections, consistent with the Court of Appeals decision in *Barnes v. Kline*, 759 F.2d 21, (D.C. Cir. 1985), *cert. pending sub. nom. Burke v. Barnes*, No. 85-781.

I have no objection to statutory recognition of the refuge at Cape Charles. This is a significant resting and wintering area for migratory birds along the Atlantic Flyway and an important habitat for the bald eagle and peregrine falcon, two endangered species. I am pleased to note that, in recognition of the area's importance, the U.S. Fish and Wildlife Service has already administratively acquired land at this site and established the Eastern Shore of Virginia National Wildlife Refuge. The Service will continue to operate and maintain the existing refuge and intends to expand it as fiscal conditions permit.

Unfortunately, H.R. 1404 does not simply provide protection for this valuable habitat. It would also require the Secretary of the Interior to develop a training center at the refuge for use by the Service, other Federal

and State agencies, educational institutions, and private organizations and individuals.

In this time of fiscal constraint, the Federal government must limit its expenditures to matters of significant national concern. The provisions of H.R. 1404 requiring establishment of a training facility do not meet this test. The Service has fully adequate training facilities already in place, including a facility at Leetown, West Virginia, as well as the use of various private sector facilities. In addition, the Service is actively supporting the effort to clean up the Chesapeake Bay by designating an existing Service field station in Annapolis, Maryland, as its primary center for work on this important program. I believe that it would be more appropriate for State or private entities to fund and develop a training center if they consider it essential.

For these reasons, I must return H.R. 1404 without my approval.

RONALD REAGAN

The White House,  
January 14, 1986.

## Toasts at the State Dinner for President León Febres-Cordero Ribadeneyra of Ecuador

January 14, 1986

*President Reagan.* President Febres-Cordero, Mrs. Cordero, distinguished ladies and gentlemen, it's an honor tonight to welcome to the White House a national leader who is clearly devoted to the political and economic freedom of his people.

President Febres-Cordero, when you were elected, you were well known to the Ecuadorian people as a man who would not waver in pursuit of the welfare of his country, even in the face of enormous pressure. You promised leadership and reform, and you have not let your people down. When we met, I could see in you the strength of character and love of liberty which the Ecuadorian voters saw. It's been a genuine pleasure for me to get to know you better after our first meeting a year and a half ago.

Here in this historic setting, which was once the home of Thomas Jefferson, it's fitting to recall, President Febres-Cordero, the words of your last State of the Nation message to the Ecuadorian people. In it you said, "Democracy is the highest and most noble political system that mankind has created throughout its history." Well, Jefferson would be proud of an expression such as that. Today we see a resurgence of democracy throughout the hemisphere, a resurgence which started, as did the cause of national independence, during the last century in Ecuador.

Democracy, as you have so eloquently stated on many occasions, Mr. President, is the way not only to freedom but also to peace and to economic progress. In Central



America, we both know this is especially true. I want to take this opportunity to thank you for your strong support of democracy in that troubled region. Those who would repress their own people and export subversion to their neighbors should not underestimate the depth of our commitment and steadfastness. They should note your words. You said, "So long as the people are not given the full right to self-determination, there will not be peace in Central America." Well, those of us who enjoy freedom cannot take it for granted. We cannot turn our backs on those struggling for freedom against oppressive regimes. We must provide assistance.

And, Mr. President, in that same State of the Nation Address, you reminded your people that Quito was once termed the "light of the Americas." And you challenged, "All Ecuadorians must see to it that that light remain lit here and throughout the continent." Well, in this task, holding high the light of liberty and freedom, the people of our two countries can and should and will stand together. So, let us drink a toast to that and to you, President and Mrs. Febres-Cordero.

*President Febres-Cordero.* Mr. President, Mrs. Reagan, distinguished guests, as President Reagan mentioned in his very kind words of offering, the talks that he and I have had have been what talks between old friends are like. The President's affability and unpretentiousness, as well as the coincidences on many of our points of view over the destinies of our countries and of the whole hemisphere, have allowed us to leave formalities aside and enable us to have clear and frank exchange of views.

When in my youth I studied in this great country, I could not have imagined then that a moment like this could ever take place. At that time, I frequently watched Western movies—[laughter]—some of them featuring an extremely likable star—[laughter]—called Ronald Reagan. [Laughter] I must confess that I'm still an addict to

Westerns. [Laughter] But now I view President Reagan as the actor of a more transcendental and historical role. Of course, Mr. President, this doesn't mean at all that there is a significant distance between our respective ages. We belong to the same generation, a generation that, fortunately, always believed in the everlasting values of dignity; a generation that was and is willing to face up to obstacles and to overcome the rigors imposed by nature and by men.

You and I, Mr. President, have in us something like a cowboy spirit, and with that spirit we are trying to improve the lot of our countrymen. Our peoples and all mankind, Mr. President, are going through a period of strains and unprecedented problems. You, as I in my own country, are responsible for taking the reins of the state with the conviction that in so doing we are effectively serving our peoples. But we cannot complain; we have asked for it. [Laughter] We have no one to whom to complain for the burdens that our duties impose upon us. You are performing your task with courage, with vigor, and keen sight that will be recorded, definitely, by history. I hope, too, that my efforts will likewise be fruitful and that Ecuadorians may soon be able to lead a better life and that my country, Ecuador, may reaffirm some of those transcendental values that have been lately threatened.

Let me, in thanking you for your toast, express my best wishes for your permanent well-being and that of your distinguished wife and ratify, at the same time, my confidence in your nation's leadership within the important affairs of the world. Thank you. Ladies and gentlemen, allow me now to raise the glass for the health and well-being of the President, Mrs. Reagan, and all her distinguished family.

*Note: President Reagan spoke at 9:47 p.m. in the State Dining Room at the White House.*

## Statement on the Soviet-United States Nuclear and Space Arms Negotiations

*January 15, 1986*

Tomorrow marks the opening of the fourth round of the nuclear and space arms talks. These negotiations are devoted to seeking ways to reduce the U.S. and Soviet arsenals of nuclear weapons and simultaneously to strengthen strategic stability. I have no higher priority than to achieve agreements which would strengthen America's security and that of our allies by establishing a more stable strategic balance at radically reduced levels of weaponry. And it is my hope that we can one day eliminate them altogether.

The upcoming session represents an important opportunity to give new momentum to arms negotiations. Building upon the fresh start in our relationship that General Secretary Gorbachev and I made at our meetings in Geneva, it is my hope that we can see the general agreement on principles that we reached in Geneva translated into real progress at the negotiations. General Secretary Gorbachev and I made a commitment to accelerate Soviet-American arms reduction negotiations where there is common ground. Specifically, we agreed to the principle of 50-percent reductions, appropriately applied, in nuclear offensive arsenals and to seek an interim agreement on limiting intermediate-range missile systems. We hope that during this new round of talks progress can be made toward achieving these mutually beneficial objectives.

During the previous round of the negotiations, the Soviet Union made counterproposals to the concrete American arms reduction positions. After careful study, we found the Soviet counterproposals to have some positive elements, but also to be seriously one-sided in a number of key areas. To move the negotiations forward, the U.S. made a fresh offer. Our offer encompassed a proposal to cut in half the offensive nuclear arsenals of both sides in an appropriate and equitable way. The U.S. proposal takes account of expressed Soviet concerns and builds on the common elements in our respective positions. It seeks deep cuts, no

first-strike advantage, continuing defensive research—because defense is much safer than offense—and no cheating. Our proposal is fair, balanced, and, if accepted, would result in the most dramatic cuts in offensive arms ever achieved.

The new U.S. offer is not a take-it-or-leave-it proposition. I have instructed our negotiators to press ahead in laying out the details of our position and in seeking and expanding common ground. Our objective remains an agreement for 50-percent reductions, appropriately applied, in the strategic nuclear arsenals of both the United States and Soviet Union and for enhanced stability by reducing the capability to conduct a first strike. With respect to intermediate-range nuclear forces, our objective remains the eventual elimination of the entire category of LRINF [Longer Range Intermediate-Range Nuclear Forces] missile systems, but we are prepared to work out an interim agreement based on the principle of equality which limits LRINF missiles. In the defense and space forum, we will continue to seek to expand our dialog with the Soviets concerning the offense-defense relationship. We will also push for Soviet agreement to our new proposal for reciprocal visits to laboratories engaged in strategic defense research.

U.S. negotiators are ready for tough but honest bargaining. The challenge ahead is formidable, but they have the flexibility to explore any promising avenues for agreement. As we have said before, we are more interested in results than in methods of reaching them. If the Soviets approach this round in a similar spirit, the prospects for progress will be greatly increased. Our two countries have it within our power to make 1986 a year of genuine peace and progress in arms control. Fair, equitable, and verifiable reductions of the weapons of massive destruction will serve Soviet and American interests and that of all humanity. It is a noble goal and an awesome responsibility. I

wish our negotiators good luck and God-speed.

*Note: Larry M. Speakes, Principal Deputy*

*Press Secretary to the President, read the President's statement to reporters at 9:24 a.m. in the Briefing Room at the White House.*

## Remarks to the Students and Faculty at Martin Luther King, Jr. Elementary School

*January 15, 1986*

*The President.* Thank you all very much, and thank you, Robert Woodson. Thank you very much and a special hello again to my pen pal, Rudy Hines.

The Martin Luther King, Jr. Elementary School has become very special to all of us at the White House since we began our partnership in education 2 years ago. It's wonderful to be here today at your fine school. I just wanted to come by and say a few words about the man for whom your school was named. I have a hunch we can all learn a few things from his life and the things that he believed in and fought for, just as Mr. Woodson has told us already. I can't help but feel there are some lessons we can all remember together.

You all know the facts of Martin Luther King, Jr.'s, life. He was born in Atlanta on this day, January 15, 1929; that was 57 years ago. His mother's maiden name was Alberta Christine Williams. His dad, Martin Luther King, was a minister of the Baptist church. Martin Luther King, Jr., went to Booker T. Washington High School, and then, as many of you will, I hope, he went on to college—to Morehouse College. He also became a minister and went to work with his father at the Ebenezer Baptist Church. After that, the story kind of heats up; the facts and events come thick and fast. The South was about to become the location of a great revolution, and young Martin Luther King, Jr., was about to become its most forceful and effective leader.

I wonder now if some of you know the names and places that for another generation, for your parents' generation and your teachers', are so well known. They will always be unforgettable. Montgomery, Alabama, and Selma and Birmingham, Little

Rock, Arkansas—a lot of hearts were broken in those places, but a lot of history was made, too, and a lot of justice grew out of the pain that happened in those towns.

Montgomery is where a black woman named Rosa Parks refused to get up and give her seat to a white man on a bus. That was the beginning of the famous Montgomery bus boycott. Martin Luther King, Jr., was one of its leaders. He and his followers just refused to take the city buses anywhere as long as blacks had to sit in the back. They just wouldn't accept it anymore. They said, "Enough." They walked everywhere; they'd walk for miles rather than take the bus. There was a phrase for what they were doing that was famous then. It was called peaceful protest—saying no in a peaceful way. And the protesters went to the courts, where one day in June, 6 months after the boycott began, a United States District Court made a ruling. They said that racial segregation on the city bus lines was unconstitutional; it was contrary to that great Constitution by which we all live in this country.

Later the Supreme Court, the highest, most important court in the whole country, would listen to similar cases and hand down more civil rights decisions. One big case was argued by a young lawyer picked by Dr. King himself. The young lawyer and another lawyer worked together without pay, and they won the case. And that young lawyer is my friend, Samuel Pierce, and I'm proud he is a member of our government as the Secretary of Housing and Urban Development.

Martin Luther King, Jr., first became famous in America during the Montgomery strike. It wasn't an easy time for him. A

bomb was thrown on the porch of his house, and it was only a matter of luck that no one was hurt. A crowd gathered, and the people were angry. And Dr. King came out and stood amid the broken glass and said some great words. He said: "We cannot solve this problem through violence. We must love our white brothers; we must make them know that we love them. Jesus still cries out across the centuries, 'Love your enemies.' And that is what we must live by. We must meet hate with love."

Martin Luther King, Jr., pursued progress all over the country in freedom marches and on freedom rides, in speeches and demonstrations, at the pulpit and in private conversation. He was a much loved and—it's sad to say—at that time, much hated. But I think it's true that those who loved him and those who hated him were pretty much united in agreement on this: Martin Luther King, Jr., was right to insist that the civil rights movement be nonviolent. And he was brave. Your teachers won't approve of my using the word I'm going to use now, but I have to. It's the best word for it. It takes a lot of guts not to hit back when someone is hitting you, and he had that kind of guts. I hope that's something you'll be able to emulate in your lives.

And if you can emulate another thing about Martin Luther King, Jr., I would hope it would be his passion. He felt so strongly about things; he really cared. He really felt the injustice he talked about, and he really felt the dreams that he shared. You can see it in his words, in the way he used them.

We've all been hearing a lot of quotations from Dr. King the past few days, and I suppose the most famous is, "I have a dream." But the one I think of sometimes, the one that really shook you up in the days after his death, was the speech he gave at his home church, the Ebenezer Baptist, on February 4, 1968, just 2 months before he was shot. Perhaps you know that in those days before he died, he seemed to have a sense, a strange sense that the shadows were lengthening and that he didn't have long. And in his speeches he seemed to be saying goodbye. And in this speech at the Ebenezer Baptist Church, he said: "Every now and then, I think about my own death, and I think about my own funeral . . . I

don't want a long funeral. And if you get somebody to deliver the eulogy, tell them not to talk too long. Just say that I was a drum major for justice." You know what a drum major is—the fellow that leads the band. He said that "I was a drum major for righteousness. And all of the other shallow things will not matter. I won't have any money to leave behind. I won't have the fine and luxurious things of life to leave behind. But I just want to leave a committed life behind."

Well, those are great words: "I want to leave a committed life behind." I want my life to have meaning; I want it to be a statement. That's a wonderful way to feel. In fact, I think it's the only way to feel. Our country is different and better because that was his attitude. And that's not just a phrase; our country is different and better; that's a literal truth. Our country is different because Martin Luther King, Jr., made it better by the way he lived his life. And that's why Dr. King's birthday is now a national holiday for everyone in the country—because his contributions benefited all Americans.

And that gets me to my almost-last point. It's something I've been thinking a lot about recently, and I wanted to share it with you. It is this: The civil rights workers of the 1950's and '60's—long before you were born—they won their great battle because America had a conscience that they could appeal to. Now, you know what a conscience is. It's that thing that tells you the difference between right and wrong and that tries to get you to do right. And you know that bad feeling you get when you've done something wrong. That's conscience, too. Well, America had a conscience, and it was a good, strong one. It wouldn't let us hide from the truth, and it wouldn't let us sleep until we all, together, as a whole country, admitted that all people are equal and that in America there should be no second-class citizens. Our national conscience told us to change and start to be fair. And we listened and changed, and we started to be fair.

Ultimately, the great lesson of Martin Luther King, Jr.'s, life was this: He was a great man who wrested justice from the

heart of a great country, and he succeeded because that great country had a heart to be seized. Martin Luther King, Jr., really helped make our nation freer. It's not a perfect place; we still have a long way to go. There's unfinished business, and we can't rest until all prejudice is gone forever. But we're a better, freer place; and now it's up to you, as the future grownups of America, to use that freedom to make a better life.

And how do you make the best use of freedom? Well, you get a good education. When you get a good education, when you study hard and read your books and ask questions, then you can become anything. The outstanding men and women up here on the stage with me will all tell you that if you work hard you can make a wonderful future for yourself, you can have the most exciting job, travel all over the world, help your fellow man. An education is like a spaceship; it can take you anywhere.

And you know what I hope? The dream I have for each of you is that one day in the future, when you're all grown up, you'll all come back here and visit on Martin Luther King, Jr.'s, birthday. And maybe someone up here will be making a speech, and they will introduce the next speaker with the words, "And now, the President of the United States." And they'll turn, and they'll be pointing at you, because you'll be the President. Do you think that's a good idea?

*Audience.* Yes!

*The President.* Are you going to study?

*Audience.* Yes!

*The President.* Going to get good marks?

*Audience.* Yes!

*The President.* Will you go to college?

*Audience.* Yes!

*The President.* Wonderful. That makes me so happy.

We're all equal partners in this great experiment called democracy in America. And when we bow our heads today—and I hope all of us will—and say, "God bless Martin Luther King, Jr.," we'll also be saying "God bless America." And may her conscience stay strong forever, and may her children always recognize that conscience and thank God for it.

I thank you so much for inviting me here today. This is where I wanted to be. So,

thank you, my friends, and God bless you all. And now, if you don't mind, I'm just going to take a second—I have to tell you a story, an experience of mine in my youth. I was playing football in a little college in Illinois, and this was back in the days before any Martin Luther Kings. He had just barely been born. But there were people with prejudice and hatred.

In our school, we had a young black man who came to school and who I remember—he's departed this world now—but he's probably the closest friend I ever had. And down on the line together, he played center, and I played right guard. And in those days, you didn't have an offense and a defense; you played both ways. You stayed in the game till it was over. And he and I became, as I say, the closest of friends down there in the middle of the line, where things got rough and tough.

And one day we played a team that didn't have any mix in its lineup. And playing opposite Burgie—his name was Franklin Burghardt, but my nickname for him was Burgie—playing opposite Burgie was a fellow that was filled with hatred and prejudice, and it was very obvious. And he was very vocal about it when we would line up against each other. He also played dirty against Burgie. In the huddle I looked across once and saw Burgie, and his lip was bleeding where he was biting it. He had already an injured knee before the game, and this fellow had found out about it—evidently he groaned at the wrong time—and he was using his dirty tactics to further hurt that knee. And Burgie was biting his lip to not show the pain. And in the huddle, we were so mad—and all of his teammates—we wanted to go after the fellow. And Burgie said, "No, this is my problem; this is my fight." And no one knew anything about it.

Well, Burgie played him all that game. And he didn't play dirty; he played clean. He just played the hit-'em-hard kind of football that we're taught and that's within the rules. And by the middle of the fourth quarter his opponent, playing dirty with all of his dirty tricks, was literally staggering. And his coach had to send in a substitute for him. And he started off the field. He

was wobbling as he started off. And halfway to the sideline he stopped, stood there for a minute, then he turned around. And he came staggering back, elbowed his way through the two teams as we stood there in the time-out waiting for play to resume, and up to Burgie and faced him. And then I saw he was crying; the tears were running down his face. And he stuck out his hand, and Burgie took it. And he grabbed it with his other hand, and then crying he said, "I just want you to know you're the greatest human being I've ever met," and turned and left the field.

You see, just one individual with principles like that, like Dr. King and like Franklin Burghardt—a conversion right there from hatred to respect and even liking on the part of another man. Well, I just

couldn't go away without telling you that story. The world is so different today. And those of us who were a part of that revolution that Martin Luther King performed in, all of us, we are so happy for what has happened and so happy to see all of you here together in this different kind of an America. You keep it that way and keep making it better.

And now, before I leave, I want to present a plank—a plaque, I should say, to your principal, Bill Dalton, in commemoration of Martin Luther King, Jr.'s, birthday. Thank you all again very much.

*Note: The President spoke at 11 a.m. in the school auditorium. He was introduced by Robert L. Woodson, president of the National Center for Neighborhood Enterprise.*

## Nomination of Otto J. Reich To Be United States Ambassador to Venezuela

January 15, 1986

The President today announced his intention to nominate Otto J. Reich, of Virginia, as Ambassador to the Republic of Venezuela. He would succeed George W. Landau.

Since 1983 Mr. Reich has been Coordinator of Public Diplomacy for Latin America and the Caribbean in the Office of the Secretary of State. From 1981 to 1983, he was the Assistant Administrator of the U.S. Agency for International Development in charge of Latin America and the Caribbean. As such, he was the principal officer in the U.S. Government charged with the direction of U.S. economic support and development assistance for this region of the world. From 1976 to 1981, Mr. Reich was director of Washington operations for the Council of the Americas, a private nonprofit association of U.S. companies with interests in Latin America. From 1975 to 1976, he was community development coordinator for the city of Miami. From 1973 to 1975, he was international representative for the

State of Florida's Department of Commerce. From 1972 to 1973, he was vice president of Cormorant Enterprises, a Miami-based import-export company. While attending graduate school (1970–1971), Mr. Reich worked in the U.S. House of Representatives as a staff assistant to Congressman W.R. Hull, Jr.

Mr. Reich holds a bachelor's degree from the University of North Carolina in international studies (1966) and a master's from Georgetown University in Latin American studies (1973). At Georgetown, he studied under a fellowship from the Center for Strategic and International Studies (1971–1972). Mr. Reich served in the United States Army from 1966 to 1969; he was commissioned as a second lieutenant and honorably discharged as a first lieutenant. Mr. Reich was born October 16, 1945, in Havana, Cuba. He is married to the former Connie Dillinger, of Florida, and they have two children.

## **Appointment of Two Delegates to the National White House Conference on Small Business** *January 15, 1986*

The President today announced his intention to appoint the following individuals to be delegates to the National White House Conference on Small Business:

**George Edward Wolfe, Jr.**, of Texas. This is a new position. He is president of Wolfe the Florist, Inc., in Waco, TX. He is also a director of the Citizens National Bank of Waco. He is past director of the Waco Chamber of Commerce. He graduated from Baylor University (B.A., 1951). He is married, has five children, and

resides in Waco, TX. He was born July 21, 1929, in Waco.

**Angela Lee Miller**, of Florida. This is a new position. She is vice president/treasurer of First Florida Building Corp. in Miami, FL. Previously she was president of Angela Miller Investments, Inc. She attended George Washington University, Sweet Briar College, and the University of Miami. She has one child and resides in Miami, FL. She was born November 1, 1951, in Miami, FL.

## **Nomination of Richard M. Scaife To Be a Member of the United States Advisory Commission on Public Diplomacy** *January 15, 1986*

The President today announced his intention to nominate Richard M. Scaife to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1988. This is a reappointment.

Mr. Scaife is publisher of the Tribune Review Publishing Co. in Pittsburgh, PA. He also serves as chairman and publisher of Sierra Publishing Co. in Sacramento, CA; publisher of Lebanon News Publishing Co., Lebanon, PA; director of First Boston, Inc., in New York City; chairman of Calvary,

Inc., in Pittsburgh; and director of Air Tool Parts & Service Co. in Pittsburgh. He has served as a director of the World Affairs Council of Pittsburgh and as a member of the Presidential Task Force on the Arts and Humanities, the Presidential Commission on Broadcasting to Cuba, and the Advisory Board of the Center for Strategic and International Studies in Washington, DC.

Mr. Scaife graduated from the University of Pittsburgh (B.A., 1957). He is married, has two children, and resides in Pittsburgh, PA. He was born July 3, 1932, in Pittsburgh.

## **Appointment of Robert S. Leventhal as a Member of the President's National Security Telecommunications Advisory Committee** *January 15, 1986*

The President today announced his intention to appoint Robert S. Leventhal to be a member of the President's National Security Telecommunications Advisory Committee. He will succeed H. Ross Perot.

Mr. Leventhal has been serving as chairman of the board, president, and chief executive officer of Western Union Corp. since

1984. He has served on the Western Union board of directors since 1980. Since 1981 he has been president and chief executive officer of Communications Products Corp. From 1976 to 1981, he was president and chief executive officer of Publicker Indus-

tries, Inc. From 1975 to 1976, he was senior vice president of Becker Industries and held the same position with Engelhard Minerals and Chemicals Corp. from 1970 to 1975.

Mr. Leventhal graduated from Harvard University (B.A., 1948; J.B.A., 1956). He has two children and resides in New York, NY. He was born January 8, 1927, in Cambridge, MA.

## Appointment of 26 Members of the President's Child Safety Partnership, and Designation of the Chairman

January 15, 1986

The President today announced his intention to appoint the following individuals to be members of the President's Child Safety Partnership. These are all new positions.

**William W. McConnell**, of Connecticut, will be designated Chairman. He is president of Advo System, Inc., in Hartford. He was born October 20, 1948, in Darby, PA, and now resides in Glastonbury, CT.

**Attorney General Edwin Meese III**, of California.  
**Secretary of Education William J. Bennett**, of New York.

**Secretary of Health and Human Services Otis R. Bowen**, of Indiana.

**Bruce Atwater, Jr.**, of Minnesota, is chairman and chief executive officer of General Mills, Inc., in Minneapolis. He was born April 19, 1931, in Minneapolis and now resides in Wayzata, MN.

**William R. Bricker**, of New York, is national director of Boys Clubs of America in New York City. He was born May 5, 1923, in Reading, PA, and now resides in Scarsdale, NY.

**Arthur C. Eads**, of Texas, is district attorney for the 27th judicial district of Texas. He was born October 13, 1941, in Belton, TX, and now resides in Belton.

**Kenneth O. Eickenberry**, of Washington, is attorney general of the State of Washington. He was born June 29, 1932, in Wenatchee, WA, and now resides in Olympia, WA.

**Richard J. Elrod**, of Illinois, is sheriff of Cook County. He was born February 17, 1934, in Chicago, IL, and now resides in Lincolnwood, IL.

**Evelyn Irazarry-Guardarramas**, of New York, is an attorney in private practice in New York City. She was born October 9, 1948, in New York City and now resides in the Bronx, NY.

**Senator Paula M. Hawkins**, of Florida, has been serving as a United States Senator since January 1981. She was born January 24, 1927, in Salt Lake City, UT.

**Carole Hillard**, of South Dakota, is former president of the South Dakota Board of Charities and Corrections. She was born August 14, 1936, in Deadwood, SD, and now resides in Rapid City, SD.

**Robert P. Keim**, of New York, is president of Advertising Council, Inc., in New York City. He was born January 28, 1920, in Ridgewood, NY, and now resides in East Williston, NY.

**U.S. Representative Thomas Lewis**, of Florida, was elected a Member of Congress in 1982. He was born October 26, 1924, in Philadelphia, PA, and now resides in North Palm Beach, FL.

**Mario J. Machado**, of California, is president of MJM Communications, Inc., in Los Angeles. He was born April 22, 1935, in Shanghai, China, and now resides in Los Angeles.

**Gov. James G. Martin**, of North Carolina. Governor Martin served 6 terms in the United States House of Representatives prior to his election as Governor. He was born December 11, 1935, in Savannah, GA, and now resides in Raleigh.

**Mary Ellen McCaffree**, of Washington, was director of the Department of Budget and Program Development for King County. She was born February 25, 1918, in El Dorado, KS, and now resides in Hansville, WA.

**Senator Addison Mitchell McConnell**, of Kentucky, was elected to the United States Senate in 1984. He was born February 20, 1942, in Sheffield, AL.

**Donna Mae Owens**, of Ohio, is mayor of the city of Toledo. She was born August 24, 1936, in Toledo, where she currently resides.

**Frederick J. Ryan, Jr.**, of California, is Deputy Assistant to the President and Director of Presidential Scheduling and Private Sector Initiatives, the White House. He was born April 12, 1955, in Tampa, FL, and now resides in Washington, DC.

**Lory Arana Stevenson**, of Colorado, is active in political and community affairs in Colorado



Springs. She was born November 8, 1950, in Richmond, VA, and now resides in Colorado Springs.

*Joseph V. Vittoria*, of Connecticut, is president and chief executive officer of Avis, Inc. He was born May 9, 1935, in Sea Cliff, NY, and now resides in Greenwich, CT.

*Robert G. Weeks*, of Virginia, is executive vice president of Mobil Oil, marketing and refining division. He was born July 14, 1936, in Camden, NJ, and now resides in McLean, VA.

*Mary P. Whyte*, of Connecticut, is vice president

of the National Crime Prevention Council in Washington, DC. She was born October 1, 1919, in New York City and now resides in Greenwich, CT.

*Judy Wiedemeier*, of Colorado, is vice president for regulatory affairs of the Tobacco Institute, Inc., in Washington, DC. She was born March 18, 1949, in Durango, CO, and now resides in Potomac, MD.

*Jeri J. Winger*, of Utah, is president of the General Federation of Women's Clubs in Washington, DC. She was born June 6, 1922, in Alpine, UT, and now resides in Provo, UT.

## **Nomination of Marilyn Logsdon Mennello To Be a Member of the National Museum Services Board**

*January 15, 1986*

The President today announced his intention to nominate Marilyn Logsdon Mennello to be a member of the National Museum Services Board, National Foundation on the Arts and the Humanities, for a term expiring December 6, 1989. She would succeed Elizabeth Helms Adams.

Ms. Mennello is active in civic and cultural affairs. In 1967 she was a cofounder of P.E.S.O.-Auction, Inc. (Participation Enriches Science, Music and Art Organizations). In 1976 she was president of P.E.S.O.

and in 1985 was awarded the President's Award for her outstanding service to P.E.S.O. She became a member of the board of trustees of Rollins College in 1972 and served on the executive committee until 1983, when she became a trustee emeritus.

Ms. Mennello graduated from Pasadena College (A.A., 1945). She is married, has two children, and resides in Winter Park, FL. She was born May 1, 1925, in Pasadena, CA.

## **Appointment of Joyce C. Young as a Member of the Committee for Purchase From the Blind and Other Severely Handicapped**

*January 15, 1986*

The President today announced his intention to appoint Joyce C. Young to be a member of the Committee for Purchase From the Blind and Other Severely Handicapped for a term expiring December 21, 1990. This is a reappointment.

Mrs. Young is president of Young Communications in Dayton, OH. Previously, she was public affairs manager for Metropolitan

Life Insurance Co.; associate director of development at Wright State University; and executive director of Wright State University School of Medicine Foundation.

Mrs. Young graduated from Wright State University (B.A., 1975). She is married, has four children, and resides in Dayton, OH. She was born September 27, 1934, in Springfield, MA.

## Statement on the Soviet Proposal on Nuclear and Space Arms Reductions

*January 15, 1986*

In 1983 at the Japanese Diet, I called for the total abolition of nuclear weapons. Since that time the United States has put forward a series of proposals to achieve this goal through radical reductions in strategic weapons. As early as 1981, I set forth a specific proposal for the elimination of all long-range intermediate nuclear missiles. At the Geneva arms control talks in November, we made yet another proposal designed to bring us closer to the goal of zero nuclear weapons.

Now the Soviet Union has responded with a proposal which builds on some of the elements we had previously set forth. I welcome the Soviets' latest response and hope that it represents a helpful further step in the process. We, together with our allies,

will give careful study to General Secretary Gorbachev's suggestions. Many elements contained in the response are unchanged from previous Soviet positions and continue to cause us serious concern. There are others that at first glance may be constructive.

The American delegation in Geneva has instructions to implement the agreement reached at the Geneva summit to seek early progress in achieving radical reductions in offensive nuclear weapons, including an interim agreement on intermediate-range nuclear forces. If the position outlined by General Secretary Gorbachev advances this objective, it would prove to be a constructive step.

## Proclamation 5430—National Sanctity of Human Life Day, 1986

*January 15, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

America was founded with a ringing affirmation of the transcendence of human rights. Our Declaration of Independence proclaims that the rights to "Life, Liberty and the pursuit of Happiness" are not a grant from the government, but a gift from the Creator; and we declared that the same Divine Providence in which the new Nation placed its "firm reliance" imposes on government a solemn duty to respect and secure these fundamental rights.

Yet, on January 22, 1973, the Supreme Court of the United States struck down our laws protecting the lives of unborn children. At that time there were those who predicted confidently that in time Americans would come to accept the Court's decision and the "new ethic" that it reflects. History has proved them wrong. Each year

the terrible toll of more than a million innocent human lives has weighed more heavily on the conscience of America.

Each year remarkable advances in prenatal medicine bring ever more dramatic confirmation of what common sense told us all along—that the child in the womb is simply what each of us once was: a very young, very small, dependent, vulnerable member of the human family. When Americans demand legal protection for human life, we are simply being true to our most basic principles and convictions. We are reaffirming the self-evident truths set forth in our Declaration of Independence. Indeed, we are reaffirming the consensus of civilized humanity by recognizing that children need special safeguards and care, including appropriate legal protection, before as well as after birth.

Those who champion the right to life know the harsh pressures and the profound anguish that drive some women to consider

abortion. The most moving testimony to our reverence for human life has been the generous, even heroic efforts made by so many religious and charitable organizations to help women with problem pregnancies and to facilitate the adoption of infants into families eager to give them love and care.

Those who work to restore legal protection to the unborn do so with the knowledge that they have gone to the defense of the weak, the silent, the endangered. But that is not something new. Whenever disasters have endangered human life, we Americans have always responded swiftly and selflessly.

Respect for the sanctity of human life has not died in America. Far from it. With every passing year it shines ever more brightly in the hearts of more and more of our citizens as they come to see the issue with greater clarity in all of its dimensions. As we carry this message to our courts, our legislatures, and our fellow citizens, let us never be discouraged. Let us put our trust in God, the Lord and Giver of Life, the

Creator Who endowed us with our inalienable rights. May we soon rejoice in the day when reverence for human life is enshrined as surely in our laws as in our hearts.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim Sunday, January 19, 1986, as National Sanctity of Human Life Day. I call upon the citizens of this blessed land to gather on that day in homes and places of worship to give thanks for the gift of life and to reaffirm our commitment to the dignity of every human being and the sanctity of each human life.

*In Witness Whereof*, I have hereunto set my hand this 15th day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:58 a.m., January 16, 1986]*

## **Statement by Principal Deputy Press Secretary Speakes on the Soviet Proposal on Nuclear and Space Arms Reductions**

*January 16, 1986*

The Soviet response is another step in what we hope will be an increasingly positive process of give and take. We will, together with our allies, give it careful study, keeping in mind our basic objectives. Many elements of the Soviet proposal appear unchanged and cause us concern. Others, at first glance, appear constructive. We also have proposals on the table that we hope the Soviets will respond to. We look forward to exploring both sides' proposals at the negotiating table in Geneva. We welcome the Soviet Union's response and its support for the goal of the elimination of nuclear weapons, a goal toward which we have long been committed. We hope the details of the Soviet proposal will prove to represent a helpful step in the arms reduction process and the implementation of the joint statement's call for early progress.

At first glance many elements in the new Soviet proposal appear unchanged from their previous proposals and cause us concern; for example, the continued linkage of reductions to a ban on "space-strike arms." We believe strategic defenses can make a significant contribution to stability in a world free from nuclear weapons. In other areas there may be some constructive steps; for example, the Soviet statement addressed verification measures, including on-site inspection. This offer, of course, needs to be translated into specifics for it to be properly evaluated. Other parts of the Soviet offer also require more concrete detail, and we hope Soviet negotiators will explain their proposals promptly and fully in the proper negotiating forums.

We wish to emphasize that Geneva is the proper place for detailed explorations of

both U.S. and Soviet proposals on nuclear and space arms. The Soviets mentioned ideas regarding progress in other arms control fields, such as MBFR [Mutual and Balanced Force Reduction negotiations], chemical weapons, and CDE [Conference on Disarmament in Europe]. We hope they will explain their ideas fully in those negotiations, as well. The United States tabled new proposals in the nuclear and space talks

(NST) at the end of the last round, and we expect a further Soviet response to those proposals. Our goal remains equitable, verifiable, and stabilizing agreements. We will evaluate the Soviet proposals in that light.

*Note: Larry M. Speakes read the statement to reporters at 9:30 a.m. in the Briefing Room at the White House.*

## Message to the Congress of Racial Equality on the Observance of Martin Luther King, Jr. Day

*January 16, 1986*

I am delighted to send my warmest good wishes to all the distinguished guests attending the annual Ambassadorial Reception of the Congress of Racial Equality. I send special greetings to Roy Innis, the Chairman of CORE, and one of America's outstanding civil rights leaders.

This year's event stands out as a very special milestone, because it is being held as a prelude to the first observance of the birthday of Dr. Martin Luther King, Jr. as a National Holiday. King's was truly a prophetic voice that reached out over the chasms of hostility, prejudice, ignorance, and fear to touch the conscience of America. He challenged us to make real the promise of America as a land of freedom, equality, opportunity, and brotherhood—a land of liberty and justice for all.

Dr. King was an uncompromising champion of nonviolence, yet he was often the victim of violence. And, as we know, a shameful act of violence cut short his life before he had reached his fortieth birthday. Although today he is honored with speeches and banquets and monuments, let us not forget that he was once jeered and threatened, fined and jailed. But through it all he never sought revenge, only reconciliation. His unshakable faith enabled him to conquer the temptation to hate and the temptation to fear. His was a triumph of courage and love.

It was almost exactly 30 years ago, on

January 30, 1956, that King stood amid the broken glass of his bombed-out front porch and calmed an angry crowd bent on vengeance. "We cannot solve this problem through retaliatory violence," he told them. "We must love our white brothers . . . We must make them know that we love them. Jesus still cries out across the centuries—'Love your enemies.' This is what we must live by."

Martin Luther King understood that there can be only one answer—brotherhood. He spoke of a "faith" that would "be able to transform the jangling discords of our nation into a beautiful symphony of brotherhood."

He made it possible for all of us to move closer to the ideals set forth in our Declaration of Independence: that "all men are created equal," equal because our Creator—not the state—has endowed us all with certain unalienable rights, and that it is the duty of the state to secure and protect those rights.

In saluting Martin Luther King, I also salute those who like Roy Innis have picked up the banner that fell 18 years ago from the hands of the slain Dr. King. I salute all those who have continued to work for brotherhood, for justice, for racial harmony—for a truly color-blind America where all people are judged by the content of their character, not the color of their skin.

To them I say, never, never abandon the

dream. Never forget that this is America, the land where dreams come true. And

take heart—look how far we have come! God bless you all.

## Remarks at the Presentation Ceremony for the Young American Medals

*January 16, 1986*

Attorney General Meese and my young friends here on the platform and ladies and gentlemen, good afternoon, and welcome to the White House. You know, we've come together today in a capital city that's often preoccupied with bigness—big questions like tax reform and big statistics like the gross national product and, yes, big levels of funding. And to paraphrase the late Senator Everett Dirksen, he said, "A billion dollars here, a billion dollars there, and pretty soon it adds up to real money." [Laughter] But in the midst of all this bigness, it's only too easy to lose sight of what really matters—which is the individual. At this ceremony today, it's my honor to remind the Nation, the entire Nation, of the importance of the individual by awarding medals to four remarkable young Americans.

Two of the medals recognize outstanding service to others. And the first goes to the youngest honoree, 13-year-old Trevor Ferrell. Trevor lives with his family in a fine home outside Philadelphia on the Main Line, and until 1983, when Trevor was 11, that neighborhood was virtually his entire world. And then during the Christmas holidays, Trevor happened to glimpse a very different world on television. It was the world of the Philadelphia inner city, and the TV that evening showed street people bedding down for the cold winter night, broken men and women huddling in abandoned cars and burned-out buildings. Trevor went to his room, got a blanket, and asked his parents to take him downtown. And Trevor gave that blanket to a man he and his parents found sleeping over a subway grate. Soon Trevor was making trips to the inner city regularly, handing out the food, blankets, and clothing that had begun coming his way as friends, church groups, and businesses heard of his interest in helping the homeless. Word continued to

spread, and today scores of individuals and organizations, moved by the example of young Trevor Ferrell, are joining him in his inner city work of charity.

Trevor Ferrell, you've not only earned the gratitude of the people of Philadelphia but the affection and admiration of an entire country. Congratulations.

The second medal for service goes to 19-year-old Janelle Lynn Peery of Cheyenne, Wyoming. When Janelle was 15, she noticed a bump above her right knee; the diagnosis: bone cancer. In a drastic effort to save Janelle's life, her right leg was amputated. Nine miserable months of chemotherapy followed, and as Janelle put it, with courageous understatement, "When you spend 9 months being sick to your stomach, it's not too pleasant." The experience Janelle went through would have devastated many grownups, but young Janelle faced it with bravery and began to reach out to others. "When I came out of the hospital," Janelle recently said, "my basic philosophy on life was that I'm here to help people." Janelle's mother had made her daughter a teddy bear, and Janelle began making teddy bears just like it to give to other children in the hospital, each with a note attached which read, "A little hand for you to hold onto when you get scared." Soon Janelle began counseling, and in the 4 years since her own surgery, she's counseled hundreds of cancer patients and amputees. Today Janelle is a freshman at Brandeis University, and I understand that in her spare time she's an expert skier.

Janelle, you've given us all the gift of hope. Thank you, and congratulations. And by the way, Janelle, I read an interview in which you said: "It'll be nice to meet the President. I think it will be cool." [Laughter] Well, it's been cool to meet you, too. [Laughter]

And now it's my honor to announce the two medals for bravery. One goes to an 18-year-old—Richard Makinson of Pixley, California. One spring day in 1984, when Richard was 16, he and friends were swimming in the Feather River. For Richard, swimming was an activity that required special attention. You see, he's a diabetic and must be careful not to overexert himself. On this day Richard had perhaps pushed himself too far, because he noticed that he had become shaky. In order to raise the sugar level in his blood, he stopped swimming to go get something to eat. On his way, Richard heard screams. He turned to see that two little girls had fallen into an unsafe part of the river and were being swept downstream. Despite his dangerous condition, Richard dived in. He reached one girl, 12-year-old Susanna Foster; and although she was terrified and struggling, he managed to get her safely to the riverbank. Richard then returned for the other girl, 11-year-old Kristy Boring. He got within a few feet of her before the current dragged her under. Richard dived again and again, but Kristy was gone. Richard returned to the shore and collapsed, devastated that, although he'd saved one girl, he had been unable to rescue the other.

In a recent interview, Richard said that his act of bravery "makes me feel good, but I still don't think it was such a big deal. Anyone who was there would have done the same thing." Well, Richard, that's the modesty of a hero.

The second medal for bravery goes to 17-year-old Gregory Delzer, of Lead, South

Dakota. On an autumn evening in 1984, when Greg was 16, he and three girls were walking to the Lead High School for the homecoming dance. By the way, Greg, one boy with three girls—I have to hand it to you. [Laughter] As Greg and his friends neared the school, a speeding car suddenly rounded a curve and headed straight for them. One of the girls jumped clear; the other two girls seemed to freeze. As the car sped down upon him, Greg chose to save his friends, not himself; and he threw the two girls free. An instant later, Greg's head shattered the car windshield; both his legs were broken. The driver never even stopped. Later that night, he was arrested.

Greg, you saved two young women from injury, possibly from death, at enormous cost to yourself. You're a living definition of courage.

And there we have it—Trevor Ferrell, Janelle Lynn Peery, Richard Makinson, Gregory Delzer—four young Americans to inspire us all. I've often said that when I consider the youth of our country, I know that America will be in good hands. I've never felt that more strongly than at this moment. Once again, congratulations to each of you. And to your parents, thank you for raising such fine young Americans and for permitting us today to share in your pride.

Thank you. God bless you. And now the Attorney General and I will distribute the awards.

*Note: The President spoke at 1:33 p.m. in the East Room at the White House.*

## Remarks at the Presentation Ceremony for the Congressional Gold Medal Honoring Roy Wilkins

January 16, 1986

*The President.* Mrs. [Aminda B.] Wilkins, Senator Moynihan, Secretary [of Housing and Urban Development] Pierce, honored guests, today we're gathered to pay homage to an individual who contributed so much to this country. Roy Wilkins was born into an America plagued with segregation and

discrimination. Roy Wilkins dedicated his life to eliminating these evils. He has helped make our country a just and a decent land for all Americans.

Roy was a journalist, a communicator by trade. He was also the quintessential American activist. His skills and dedication helped

turn the NAACP, a small civil rights organization, into a nationally prominent force for civil rights with hundreds of thousands of members. He turned an issue which many would rather have swept under the rug into a movement America was forced to reckon with. His courage, his dedication to the rights of every individual, his love for all mankind, manifested in his sincere belief in nonviolence—all of these were inseparable parts of his character. Roy Wilkins was the grandson of a slave. He witnessed and experienced many injustices, yet he was never overcome with hate. He was an individual who sought not to tear down, but to build a better America.

And this spirit was clear to all when in 1949, at a time when the Nation had yet to come to grips with the worst aspects of institutional racism, Roy Wilkins spoke to the convention of the NAACP about the real meaning of Americanism. "This is our land," he said, "this is our nation. We helped to build it. We have defended it from Boston Common to Iwo Jima." With words like this he touched the conscience of his fellow countrymen. As we look back, all Americans are grateful for citizens like Roy Wilkins who dedicated themselves to seeing that America lived up to its promise of liberty and justice for all. And because of Roy Wilkins, we're closer to that noble goal.

It gives me great pleasure, then, to commemorate Roy Wilkins' contributions to the cause of human freedom, contributions that strengthened the moral underpinnings of the American way of life. I have a gold medal specially struck in memory of this great man, Roy Wilkins, an American hero. And Mrs. Wilkins, I would like to present it to you now on behalf of the Congress of the United States and of all of your fellow citizens.

*Mrs. Wilkins.* Mr. President, I would like to thank you for presenting the medal. I

would like to thank Senator Moynihan and Representative Rangel for having introduced in the Congress the bills—the bill, I should say, or the bills, isn't it, sure—which was responsible for the creation of this medal. Now, unlike my husband, Mr. President, I'm not a very modest person. [Laughter] So, I will say that this medal was well merited.

*The President.* I agree.

*Mrs. Wilkins.* I have in my home two documents that were signed by you. One is a certificate from the University of California for an honorary doctor of laws degree that was given to Roy. The other is a very kind letter that you wrote to me at the time of Roy's death. And I shall always appreciate it. I also have your order at the time of Roy's death which had all American flags all over the world flying at half-mast from the time of his death until after his funeral. I think—as I say, I'm not modest—I appreciate your having done this, and I shall always remember it. But I think, Mr. President, he deserved this honor, too.

*The President.* Mrs. Wilkins, I agree with you completely, and I'm very proud to have been able to do the things that you have just said here in his behalf and in his memory.

*Mrs. Wilkins.* Roy, you see, was a real patriot; I think one of the best patriots, because he loved this country and he spent his whole adult life working for the truths upon which this country was founded. He believed that this country should have integrity, and this is what he devoted his life to. And so I say to you, thank you again for everything, but mostly for remembering the extraordinary man to whom I had the joy of being married for 52 years.

*Note: The President spoke at 4:46 p.m. in the Oval Office at the White House.*

## Message to the House of Representatives Returning Without Approval the Federal Employees' Benefits Improvement Bill January 17, 1986

### *To the House of Representatives:*

Since the adjournment of the Congress has prevented my return of H.R. 3384 within the meaning of Article I, section 7, clause 2 of the Constitution, my withholding of approval from the bill precludes its becoming law. Notwithstanding what I believe to be my constitutional power regarding the use of the "pocket veto" during an adjournment of Congress, however, I am sending H.R. 3384 to the House of Representatives with my objections, consistent with the Court of Appeals decision in *Barnes v. Kline*, 759 F.2d 21 (D.C. Cir. 1985), *cert. pending sub nom. Burke v. Barnes*, No. 85-781.

H.R. 3384 contains some desirable features, particularly a change in the Federal employees health benefits law recommended by my Administration that would allow anticipated rebates of health insurance premiums to be paid by insurance carriers to Federal annuitants, as is already allowed for active employees. I fully support the proposed rebates, but I could not approve the bill, especially because of one seriously objectionable feature. That feature would eliminate the current 75 percent ceiling on the Government's share of the premiums of any individual health insurance plan of employees and annuitants.

Elimination of the ceiling would add to Government costs and increase the Federal budget deficit at the very time that there is a critical need for fiscal restraint. In order to comply with the deficit reduction mandated by the Gramm-Rudman-Hollings Act, spending for most Government programs will have to be cut. Under those circumstances, this is not the time to raise the Government's personnel costs.

Lifting the 75 percent "cap" by itself would directly increase Government costs for many Federal Employees Health Benefits (FEHB) premiums, since the Government would now pay for costs previously paid by employees. OPM has estimated that this will result in adding almost \$90 million

to the Federal deficit in fiscal year 1986 and another \$173 million in 1987. Over the six-year period 1986 through 1991, the Federal deficit would increase by an estimated \$1.2 billion. Some proponents of this provision will claim that it would save money because it will induce employees to shift to low-cost plans. However, any such savings must be weighed against the substantial Federal cost increases projected over the next six years.

Health benefits reform legislation proposed by the Administration included lifting the cap as one of its elements. In our proposal, however, that provision was linked with structural improvements in the Federal employees health insurance program, including a change in the way the Government's contribution is established, that would reduce the cost of the program for both employees and the Government. H.R. 3384 ignores that essential linkage by simply lifting the cap without program reform, resulting in an unacceptable shift in costs from employees to the Government. I look forward to working with the Congress early in the session to develop a suitable package of structural reforms that would include lifting the cap.

In addition, the provision requiring direct access to and permitting direct payment for the services of nurses and nurse-midwives, without supervision or referral by another health practitioner, deserves full evaluation, including hearings by the Congress. In its present form, it is a major departure from established health care practice and may be counter to many State laws.

In the meantime, I urge the Congress to act as soon as possible to enact acceptable legislation that will permit Federal annuitants to receive rebates of health insurance premiums without undue further delay.

RONALD REAGAN

The White House,  
January 17, 1986.



## Statement by Principal Deputy Press Secretary Speakes Following the President's Meeting With Ciriaco De Mita of Italy *January 17, 1986*

The President met this morning with Ciriaco De Mita, head of the Italian Christian Democratic Party. They discussed the promising evolution of democracy in Latin and Central America. The President, noting today's meeting between Deputy Secretary [of State] Whitehead and Prime Minister Craxi, emphasized the need for concerted responses to the scourge of international terrorism. The President and Mr. De Mita stressed the continuing strong relationship between Italy and the United States.

Mr. De Mita provided the President with a review of his recent trip to Central America. They agreed that the tide was turning in the region toward those advocating freedom and democracy. The President commended the Italian Government for its firm stand against global extremism and its support for American efforts to isolate those responsible for fomenting terrorism. They

further agreed on the need to support those who advocate accelerating the peace process in the Mideast. The President and Mr. De Mita agreed that alliance cohesion played a crucial role in securing a more forthcoming Soviet approach to security issues and the arms control negotiating process. They also reviewed the positive developments in East-West relations flowing from the Geneva meeting between the President and Soviet General Secretary Gorbachev.

Following the Oval Office meeting, Mr. De Mita also spoke at length with the Vice President on a range of international issues. Particular attention was focused on the report of the Vice President's task force on terrorism. The Vice President and Mr. De Mita discussed encouraging developments in Central America, including the recent inauguration of Guatemalan President Cerezo, which they both attended.

## Proclamation 5431—Martin Luther King, Jr. Day, 1986 *January 18, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

This year marks the first observance of the birthday of Dr. Martin Luther King, Jr. as a national holiday. It is a time for rejoicing and reflecting. We rejoice because, in his short life, Dr. King, by his preaching, his example, and his leadership, helped to move us closer to the ideals on which America was founded. We reflect on his words and his works. Dr. King's was truly a prophetic voice that reached out over the chasms of hostility, prejudice, ignorance, and fear to touch the conscience of America. He challenged us to make real the promise of America as a land of freedom, equality, opportunity, and brotherhood.

Although Dr. King was an uncompromising champion of nonviolence, he was often the victim of violence. And, as we know, a shameful act of violence cut short his life before he had reached his fortieth birthday.

His story is well-known. As a 26-year-old minister of the Gospel, Dr. King led a protest boycott of a bus company that segregated blacks, treating them as second-class citizens. At the very outset he admonished all those who would join in the protest that "our actions must be guided by the deepest principles of our Christian faith. Love must be our regulating ideal." Otherwise, he warned, "our protest will end up as a meaningless drama on the stage of history . . . shrouded with ugly garments of shame." Dr. King's unshakable faith inspired others to resist the temptation to hate and fear.

His protest became a triumph of courage and love.

Almost 30 years ago, on January 30, 1956, Dr. King stood amid the broken glass and splinters of his bombed-out front porch and calmed an angry crowd clamoring for vengeance. "We cannot solve this problem through retaliatory violence," he told them. Dr. King steadfastly opposed both the timid and those who counselled violence. To the former, he preached that "true peace is not merely the absence of tension; it is the presence of justice." To the latter, he said that "in the process of gaining our rightful place we must not be guilty of wrongful deeds."

Dr. King's activism was rooted in the true patriotism that cherishes America's ideals and strives to narrow the gap between those ideals and reality. He took his stand, he once explained, "because of my love for America and the sublime principles of liberty and equality on which she is founded." He wanted "to transform the jangling discords of our Nation into a beautiful symphony of brotherhood."

The majesty of his message, the dignity of his bearing, and the righteousness of his cause are a lasting legacy. In a few short years he changed America for all time. He made it possible for our Nation to move closer to the ideals set forth in our Declaration of Independence: that all people are created equal and are endowed with inalienable rights that government has the duty to respect and protect.

Twenty-three years ago, Dr. King spoke to a quarter of a million Americans gathered near the Lincoln Memorial in Washington—and to tens of millions more watching on television. There he held up his dream for America like a bright banner:

"I have a dream," he said, "that my four little children will one day live in a Nation where they will not be judged by the color of their skin, but by the content of their character. . . . This will be the day when all of God's children will be able to sing with new meaning, 'My country 'tis of thee, sweet land of liberty, of thee I sing.'"

Let all Americans continue to carry forward the banner that 18 years ago fell from Dr. King's hands. Today, all over America, libraries, hospitals, parks, and thoroughfares proudly bear his name. His likeness appears on more than 100 postage stamps issued by dozens of nations around the globe. Today we honor him with speeches and monuments. But let us do more. Let all Americans of every race and creed and color work together to build in this blessed land a shining city of brotherhood, justice, and harmony. This is the monument Dr. King would have wanted most of all.

By Public Law 98-144, the third Monday in January of each year has been designated as a public holiday in honor of the "Birthday of Martin Luther King, Jr."

Now, *Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim Monday, January 20, 1986, as Martin Luther King, Jr. Day.

*In Witness Whereof*, I have hereunto set my hand this eighteenth day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:57 a.m., January 21, 1986*]

## Radio Address to the Nation on Martin Luther King, Jr., and Black Americans

January 18, 1986

The first national holiday for Martin Luther King, Jr., will be celebrated this Monday, but Dr. King's birthday fell this past week on Wednesday. I spent a good

part of that morning at the Martin Luther King, Jr. Elementary School in Washington, and believe me, that was the place to be. I've got a pen pal at the school, 8-year-old

Rudy Hines, and he's kept me up on the doings at the school and what he and his friends are thinking about. So, I wasn't surprised that, in spite of their age, the children at the King school knew all about his life and why it had meaning for all of us.

Martin Luther King believed, as I and so many Americans do, that our country will never be completely free until all Americans enjoy the full benefits of freedom. It is now over 17 years since his death, and enough time has gone by to get a sense of the progress made by minorities in America and by America in the area of equal justice since 1968. I think it's fair to say that we've come a long way in the pursuit of racial fairness in our country. We have a lot to be proud of, but nothing to be complacent about; we still have a way to go. We're committed to a society in which all men and women have equal opportunities to succeed, and so we oppose the use of quotas. We want a colorblind society, a society that, in the words of Dr. King, judges people "not by the color of their skin, but by the content of their character."

Vigorous enforcement of the civil rights laws continues. More employment discrimination cases were filed by the Justice Department during our first administration than during the previous 4 years. And we have successfully prosecuted more criminal civil rights cases in more parts of the country. We've also continued strong support for the fair housing laws.

I agree with the late Dr. King that our country won't be free until we're all free. But I take it a step further: Our nation won't really be prosperous until everyone in it enjoys a share of the fruits of prosperity. What progress have we made in this regard? Well, still not enough. Record high employment, lower tax rates, lower inflation, dropping interest rates, and continued economic growth have helped Americans—and that includes black Americans. The policies of the past 5 years have produced the biggest economic expansion since the 1960's. Because of these policies, about 400,000 black Americans moved up and out of poverty from 1983 to 1984. A record 10.7 million black Americans are holding jobs. In fact, blacks have gained an average of 40,000 new jobs a month for a total of 1.5

million since the recovery began. In addition, the median family income of black Americans, adjusted for inflation, rose almost 2 percent in 1984.

Another measure of expanding opportunity is minority entrepreneurship; and there, too, the news is encouraging. The Commerce Department reports that the number of black-owned businesses increased 47 percent between 1977 and 1982. By the way, over the past 3 years, minority firms have enjoyed \$15 billion in government business and at least another \$15 billion with private sector companies.

Now, none of this happened by accident. The economy is expanding because from the beginning we made it clear that one of the prime motivating intentions of this administration was to get the economy going again. And it was clear the way to do that was cut tax rates, stop penalizing initiative, and sit back and watch the fireworks. All of us have benefited. The poverty statistics show John Kennedy was right when he said, following his own tax cuts, a rising tide lifts all boats.

So, we've done some boat lifting the past few years, but it's still not enough. We can do better. We can reform our tax system, make it fairer, and lower most people's tax rates. We can also get spending under control and keep government from demanding more and more of your money. For years now we've been asking for enterprise zones in depressed areas, areas that would get tax breaks to attract the businesses that create jobs. And in education, we propose the educational voucher system in which families that live in poor areas can use vouchers to send their children to any of a number of schools, whichever they think is doing better. No reason parents shouldn't be given more freedom of choice, and no reason schools shouldn't compete for students.

The answer to the question "How are blacks doing in America?" is "Better than ever before, and still not good enough." There's work to be done. But if we continue to allow the economy to expand and continue to work for a more perfect society, the people of all colors will prosper. And isn't that what Dr. King's dream and the

American dream are all about?

Until next week, thanks for listening, and  
God bless you.

*Note: The President spoke at 12:06 p.m.  
from Camp David, MD.*

## **Statement on the Resumption of the Conference on Security and Confidence Building Measures and Disarmament in Europe *January 21, 1986***

I met today with Ambassador Robert L. Barry, head of the United States delegation to the Stockholm Conference on Security and Confidence Building Measures and Disarmament in Europe (CDE), which resumes on January 28, 1986. I expressed to Ambassador Barry my satisfaction with the progress made during the last round of the Stockholm Conference and my belief that an accord with important implications for the overall East-West relationship can be achieved there this year.

At our meeting in Geneva in November, Soviet General Secretary Gorbachev and I stated the political commitment of the United States and the Soviet Union to work with others for a successful conclusion to the Stockholm Conference. I have instructed the U.S. delegation to pursue concrete results at the negotiating table in Stockholm. Such an agreement, in keeping with the mandate for the Conference, must be

meaningful in military terms; it must give reassurance to all states that the military activities in Europe are routine and non-threatening. The agreement must be verifiable and go well beyond the limited confidence-building measures agreed to in Helsinki over 10 years ago.

If the Stockholm Conference is successful—and the U.S. will do its part to ensure that it will be—it can help to lower the barriers which now divide Europe artificially East from West, thereby making the threat or use of force less likely. The Stockholm Conference, moreover, can contribute to security in the larger sense, that which encompasses political, economic, cultural, and humanitarian matters—human rights—as well as strictly military matters. The attainment of this broader concept of security is the fundamental objective of the United States. I am confident that our delegation in Stockholm will advance these objectives in the months ahead.

## **Letter to Chairman James D. Robinson III of the United Way of America**

*January 21, 1986*

*Dear Jim:*

I'm delighted to accept the position of Honorary Chairman of the United Way's centennial in 1987. And, even better news, Nancy is just as delighted to become the Honorary Chairwoman. Both of us have held positions with the United Way in the past, and we're very pleased to do so again.

I was the United Way's national spokesman in 1961. Looking back, I realize this was one of the experiences that caused me

to become such a believer in voluntarism. I saw what could be accomplished by people who cared and got involved. Today, we know that government alone is not the answer. It takes the commitment of every American to meet the needs of friends and neighbors in our local communities. The role for voluntarism, for United Way, and for the many other fine human services agencies in this country is as great today as

it was 100 years ago.

Because Nancy and I believe so deeply in what the United Way can accomplish, we have a two-part challenge for you as you approach your second century of community service.

We challenge United Way to help this country reassess current community needs and to identify the emerging needs of the future. And we challenge you to build even more coalitions and approaches to meet those needs. We also understand you're now working to double your resources and services to America. We heartily endorse

that goal, and we challenge you to see how quickly you can attain it.

Since the United Way's contributions are substantial, it is appropriate that it should accept great challenges to mark the occasion of its 100th anniversary. Nancy and I look forward to hearing of your plans and progress as you strive to achieve these important goals.

Sincerely,

/s/ RONALD REAGAN

*Note: The original was not available for verification of the content of this letter.*

## **Nomination of J.J. Simmons III To Be a Member of the Interstate Commerce Commission**

*January 21, 1986*

The President today announced his intention to nominate J.J. Simmons III to be a member of the Interstate Commerce Commission for a term expiring December 31, 1990. This is a reappointment.

Mr. Simmons has been serving as a member of the Interstate Commerce Commission since 1984. Previously, he was Under Secretary of the Interior in 1983–1984; member of the Interstate Commerce Commission in 1982–1983; vice president for government relations for the Amerada Hess Corp. in 1970–1982; Administrator,

Oil Import Administration, Department of the Interior, in 1969–1970; Deputy Administrator, Oil Import Administration, in 1968–1969; Assistant Director of Oil and Gas, Department of the Interior, in 1961–1968; and vice president, secretary-treasurer, and geologist with Simmons Royalty Co., Muskogee, OK, in 1949–1961.

He graduated from St. Louis University (B.S., 1949) and attended the University of Detroit. He is married, has five children, and resides in Washington, DC. He was born March 26, 1925, in Muskogee, OK.

## **Appointment of 24 Members of the Presidential Board of Advisors on Private Sector Initiatives, and Designation of the Chairman and Vice Chairman**

*January 21, 1986*

The President today announced his intention to appoint the following individuals to be members of the Presidential Board of Advisors on Private Sector Initiatives. The Board will be comprised of leaders from the private sector who will make recommendations to the President on stimulating partnerships which make the best use of the

Nation's resources in all sectors—public, private, and nonprofit.

The Board of Advisors succeeds the President's Advisory Council on Private Sector Initiatives (1983–1985) and the President's Task Force on Private Sector Initiatives (1981–1982). The Board will report to the President through the White House Office

of Private Sector Initiatives. The mission of the Board includes raising awareness, stimulating new private sector initiatives, removing barriers to public-private partnerships, and promoting the long-term development of private sector initiatives. The Board will hold their first meeting on Wednesday, January 22, 1986.

The following are the members:

*John J. Phelan, Jr.*, of Locust Valley, NY, will serve as the Chairman of the Presidential Board of Advisors on Private Sector Initiatives. Mr. Phelan is chairman and chief executive officer of the New York Stock Exchange, elected to the position in 1984. A strong supporter of the PSI program, the New York Stock Exchange cosponsored the Excellence in Private Sector Initiatives Symposium at the White House on June 14, 1985.

*Edward O. Fritts*, of Arlington, VA, will serve as Vice Chairman of the Presidential Board of Advisors on Private Sector Initiatives. Mr. Fritts is president and CEO of the National Association of Broadcasters. As president, he sits on the board of directors of the Advertising Council and Museum of Broadcasting.

*John M. Albertine*, of Fredericksburg, VA, is the first president of the American Business Conference, an organization limited to 100 chief executive officers of some of America's most successful mid-sized firms. The American Business Conference is a cosponsor of the President's Citation Program for Private Sector Initiatives.

*Ann Ascher*, of Los Angeles, CA, is president of Ann Ascher, Inc. She is a founding member and past chairman of the board of the Southern California Center for Nonprofit Management, which provides management techniques to the nonprofit sector. She is a former member of the President's Advisory Council on Private Sector Initiatives.

*Michael P. Castine*, of Buffalo, NY, is a business consultant. He recently graduated from Harvard University (M.P.A., 1985) as the first recipient of Harvard's fellowship to study corporate public initiatives. He served as Deputy Director of the White House Office of Private Sector Initiatives and is a former member of the President's Advisory Council on Private Sector Initiatives.

*John (Jock) Elliott*, of New York, NY, is chairman emeritus of the Ogilvy and Mather advertising agency and honorary chairman of the Advertising Council. Mr. Elliott is a former member of the President's Advisory Council on Private Sector Initiatives.

*Thomas W. Evans*, of New York, NY, is a partner in the law firm of Mudge, Rose, Guthrie, Alexander and Ferdon. He is a former member of the President's Advisory Council on Private Sector Initiatives.

*Robert Galvin*, of Barrington, IL, is chairman of the board and chief executive officer of Motorola, Inc. He is former Chairman of the President's Advisory Council on Private Sector Initiatives and a former member of the President's Commission on International Trade and Investment.

*Lyda Hill*, of Dallas, TX, is general chairwoman of the Volunteer Connection, which was established to encourage agencies to find new ways to utilize volunteers. She is president of the Seven Falls Co., founder and chairman of the board of Hill World Travel, and president of Hill Development Co. in Dallas.

*His Eminence Bernard Cardinal Law*, the Archbishop of Boston, MA, headed the Diocese of Springfield-Cape Girardeau in Missouri for 10 years. He began his post as head of the Archdiocese of Boston on March 23, 1984.

*Gordon C. Luce*, of San Diego, CA, is chairman of the board and chief executive officer of the Great American Federal Savings Bank. He is also chairman of the board of Financial Scene, Inc.

*A.C. Lyles*, of Los Angeles, CA, is president and chief executive officer of A.C. Lyles Films in Hollywood. He is affiliated with Paramount Pictures. He is also a former member of the President's Advisory Council on Private Sector Initiatives.

*Malcolm A. Mackillop*, of San Francisco, CA, is senior vice president of corporate relations for Pacific Gas & Electric Co.

*Charles S. Mechem, Jr.*, of Cincinnati, OH, is chairman of the board and president of Taft Broadcasting Co. Prior to this position, he was a partner in the firm of Taft, Stettinius & Hollister.

*George F. Moody*, of Hacienda Heights, CA, is president, chief operating officer, and a director of both the Security Pacific Corp. and the Security Pacific National Bank. He was elected to the American Red Cross National Board of Governors and appointed chairman of the National Board in May 1984.

*Robert Mosbacher, Jr.*, of Houston, TX, is vice president of Mosbacher Production Co., an oil and gas business. He previously served on the President's Task Force on Private Sector Initiatives and the President's Advisory Council on Private Sector Initiatives.

*Dana Gillman Rinehart*, of Columbus, OH, is

mayor of Columbus, OH. He previously served as Franklin County, OH, treasurer.

*George W. Romney*, of Bloomfield Hills, MI, is chairman of VOLUNTEER: the National Center. He served as a member of the President's Task Force on Private Sector Initiatives. He is the former Governor of the State of Michigan.

*Robert Dean Sparks*, of Battle Creek, MI, is president of the W.K. Kellogg Foundation. Prior to joining Kellogg, he served as chancellor of the University of Nebraska Medical Center.

*R. William Taylor*, of Arlington, VA, is president of the American Society of Association Executives. He serves as administrator of the Presidential C Flag Program and is on the board of directors of Partnerships Data Net. He is a former member of the President's Advisory Council on Private Sector Initiatives.

*Alexander Troubridge*, of Washington, DC, is president of the National Association of Manufacturers. He was Secretary of Commerce during the Johnson administration. He is a

former member of the President's Task Force on Private Sector Initiatives and the President's Advisory Council on Private Sector Initiatives.

*C. William Verity, Jr.*, of Middletown, OH, is chairman of the executive committee of Armco, Inc., a diversified steel company. Mr. Verity is former Chairman of the President's Task Force on Private Sector Initiatives and a former member of the President's Advisory Council on Private Sector Initiatives.

*Sheldon Weinig*, of New York, NY, is chairman, chief executive officer, and founder of Material Research Corp. He is a former member of the President's Advisory Council on Private Sector Initiatives.

*Robert Woodson*, of Silver Spring, MD, is president and founder of the National Center for Neighborhood Enterprise and an adjunct fellow at the American Enterprise Institute for Public Policy Research. He has served as a member of the President's Advisory Council on Private Sector Initiatives.

## Proclamation 5432—National Jaycee Week, 1986 *January 21, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Nowhere has the spirit of voluntarism shone more brightly than among the members of the United States Jaycees and its affiliated State and local organizations. Currently numbering more than 268,000 members and more than 6,500 chapters in 50 States, Jaycees have actively involved themselves in the life of our communities by providing leadership, rendering services, and returning the biblical hundredfold in a variety of endeavors. Their noteworthy contributions include such humanitarian projects as assistance to the elderly, fund-raising for the disadvantaged, cardiopulmonary resuscitation programs, energy conservation, and countless other efforts to address community needs.

The heart and soul of the Jaycee philosophy may be found in its brief 65-word Creed:

"We believe:

That faith in God gives meaning and purpose to human life;  
That the brotherhood of man transcends the sovereignty of nations;  
That economic justice can best be won by free men through free enterprise;  
That government should be of laws rather than of men;  
That earth's great treasure lies in human personality;  
And that service to humanity is the best work of life."

In recognition of the accomplishments of the United States Jaycees, the Congress of the United States, by Senate Joint Resolution 213, has designated the week beginning January 19, 1986, as "National Jaycee Week" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning January 19, 1986, as National Jaycee Week, and I call upon the people of the United States

to observe that period with appropriate programs, ceremonies, and activities.

*In Witness Whereof*, I have hereunto set my hand this twenty-first day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:24 p.m., January 22, 1986]

*Note: The proclamation was released by the Office of the Press Secretary on January 22.*

## Message to the Congress Transmitting the Annual Report on Aeronautics and Space Activities January 22, 1986

*To the Congress of the United States:*

The enclosed report of the Nation's progress in aeronautics and space during calendar year 1984, a record of high achievement, is transmitted to you in accordance with Section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476).

Many departments and agencies of the Federal government contributed substantially to this outstanding record, but the major participants are the National Aeronautics and Space Administration (NASA) and the Department of Defense (DOD) as set forth in the 1958 Act.

Department of Defense efforts in aeronautics and space in 1984 were broad and far-reaching and included programs in military satellite communications crucial for deterring and containing hostilities, a variety of programs in aeronautics to modernize and advance defense helicopters and Vertical/Short Takeoff and Landing Aircraft (V/STOL), and, of course, support at various military facilities for launching space vehicles, both civilian and military, and tracking their operations. Also, DOD consolidated research and technology on defense against ballistic missiles under the Strategic Defense Initiative Organization to provide programs and guidance for future decisions with respect to such defenses.

NASA activities in 1984 began to reflect our new commitment to encouraging private U.S. enterprise in space pursuant to Executive Order 12465 and our National

Policy on the Commercial Use of Space. NASA activities also in 1984 continued to reflect the legislative mandate of the 1958 Act: to pursue activities for peaceful purposes for the benefit of all mankind, to provide widest dissemination of information resulting from such activities, and to undertake our national reach into space in cooperation with other nations and groups of nations. Our continuing commitment to this mandate was given special emphasis in 1984 when I announced to you and to the Nation on January 25 a plan of action to establish a permanently manned Space Station in the 1990's. I invited other countries to participate in this endeavor which, I believe, will spotlight the incredible potential of space waiting to be used for the betterment of mankind.

My 1984 goal to build a Space Station is a logical extension of U.S. voyages and operations, both national and international, made possible by the Space Shuttle, the vehicle of our current Space Transportation System. We used both transportation systems to place into orbit a broad array of applications satellites in 1984. Among these were satellites to observe Earth and search out its resources, assess and monitor food production, and keep watch for natural disasters so that human lives and property could be protected against them in a timely fashion.

A highlight in 1984 was our demonstration of the ability to manufacture more per-



fect products in the gravity-free space environment and offer those products for sale and use on Earth.

Another major highlight of U.S. air and space operations in 1984 was the dramatic demonstration of the ability of our astronauts to recover, repair, and redeploy malfunctioning spacecraft. This capability promises substantial savings in both time and money.

Our reach into air and space in 1984 brought us a rich bounty of information essential for developing new technologies for human advancement on Earth and for ensuring the Nation's continued primacy in air

and space research. In our reach for the stars, knowledge continues to be both the key and the quest. As this report reveals, it is a grand search in which we all share, one that enriches and advances our Nation and all peoples everywhere.

RONALD REAGAN

The White House,  
January 22, 1986.

*Note: The report was entitled "Aeronautics and Space Report of the President: 1984 Activities."*

## Message to the Congress Transmitting the Biennial Report on Science and Technology January 22, 1986

*To the Congress of the United States:*

I am pleased to submit to the Congress the sixth *Science and Technology Report*, as required under the National Science and Technology Policy, Organization, and Priorities Act of 1976, as amended. This is also the first biennial report, covering the years 1983 and 1984.

Continued strong support for our Nation's science and technology has been and will continue to be a policy of this Administration. The goals of this support are enhanced national security, improved quality of life, and increased industrial competitiveness. Today, more than ever before, we must use our technological resources aggressively in order to retain international leadership.

This report highlights recent achieve-

ments in federally supported science and technology. It also presents areas of major emphasis for Federal action as we move forward in the coming years. Our challenge for the future is to draw upon our unique strength in basic science and accelerate the development of technology and products that will benefit our society.

RONALD REAGAN

The White House,  
January 22, 1986.

*Note: The report, prepared by the Office of Science and Technology Policy in cooperation with the National Science Foundation, was entitled "Biennial Science and Technology Report to the Congress: 1983-1984."*

## Remarks to Participants in the March for Life Rally January 22, 1986

*The President.* Hello, Nellie Gray?

*Miss Gray.* Hello, Mr. President. [Applause]

*The President.* Nellie, first of all—

*Miss Gray.* Mr. President, that is prolife

America welcoming you to this 13th March for Life, and we wait to listen to your words.

*The President.* Well, thank you very much. And Nellie, first of all, thank you all

for those beautiful red roses that have arrived here for Nancy and myself.

But now I'm pleased to tell all of you who've come today to march for life, welcome to Washington, and thank you all for your commitment and support for the right to life. When you insist upon legal protection for all human life, you're simply being true to our most basic principles and convictions as Americans. We'll continue to work together with Members of the Congress to overturn the tragedy of *Roe versus Wade*.

By your presence today, you reaffirm the self-evident truths set forth in our Declaration of Independence. Each year remarkable advances in prenatal medicine bring even more dramatic confirmation of what common sense has told us all along: that the child in the womb is simply what each of us once was, a very young, very small, dependent, and very vulnerable live member of the human family. Last year in my State of the Union Address, I stated that abortion is either the taking of human life or it isn't. And if it is—and medical technology is increasingly showing it is—it must be stopped. Now, together—

*Miss Gray.* Yes, Mr. President?

*The President.* —together, we will ensure that the resources of government are not used to promote or perform abortions. And I know that many of you provide compassionate care for women seeking alternatives to abortion. The heroic efforts of these women who choose life are a moving testimony to our reverence of human life. Each child about to be born is a unique, unrepeatable gift. Each child who escapes the tragedy of abortion is an immeasurable victory.

Last month I had a very special visitor in the Oval Office. Mother Teresa was in town, and we were able to exchange holiday greetings. We've often heard Mother

Teresa say that: "Abortion has become the greatest destroyer of peace. If we really want peace, if we're sincere in our hearts that we really want peace, we should make a strong resolution that we will not allow a single child to feel unwanted, to feel unloved." That was Mother Teresa's reminder to us.

Our nation's affirmation of the sacredness of all human life must begin with respect for our most basic civil right: the right to life. And again this year, let me say I'm proud to stand with you in the long march for the right to life. God bless you all.

*Miss Gray.* Mr. President, we want to thank you very much for being with us today, and we liked particularly your words which said that each and every human life is precious. And we want to work with you and your administration. Particularly, we want to stop the funds for abortion in the District of Columbia—no exceptions and no compromise. We want, also, to work with you to assure that we have prolife judges appointed. And, Mr. President, we are here in unity today—unified—the grassroots movement with our no-exception position, and we will be working for the paramount human life amendment. May we work with you, Mr. President?

*The President.* You certainly may. And again, God bless you all. Thank you all.

*Miss Gray.* Thank you, Mr. President, and God bless you. We are so pleased that you are in the White House.

*The President.* Thank you very much. Goodbye.

*Note: The President spoke at noon from the Oval Office via a loudspeaker at the rally site. Participants had gathered on the Ellipse for a march to the Supreme Court on the 13th anniversary of the Supreme Court's decision legalizing abortion. Nellie Gray was president of March for Life.*

## Remarks at a White House Luncheon for the Presidential Board of Advisors on Private Sector Initiatives *January 22, 1986*

Well, it's been a pleasure to be here with you today and to have you here at the White House to discuss a fundamental goal of our administration: private sector initiatives, encouraging the American people to get involved in helping one another and providing service to their communities. And I want to begin by thanking each and every one of you for agreeing to serve on this newly constituted Presidential Board of Advisors on Private Sector Initiatives. Your own volunteer spirit is an example of the good citizenship we want others to follow. And I'm proud that we're on the same team. This is not a Republican issue or a Democrat issue; we're promoting an aspect of the American character that is as fundamental to our way of life as our freedom to speak, assemble, and worship.

Back when I was younger—some younger people think that I was along about the same time as Alexis de Tocqueville—[*laugh-ter*]*—*and I lived in a small town on the Great Plains of the Midwest, the Nation's Capital seemed very far away. So, we couldn't wait for the Government to provide assistance to our friends and neighbors when they were in need. We knew it was up to us, and helping each other was the natural thing to do. It created a true sense of community. Now, I'm not suggesting that there's no role for government, but I think it behooves all of us to nurture the kind of community spirit that I just mentioned.

In the early days of this administration, we've been trying to do just that. In October of 1981 we set in motion a Presidential Task Force on Private Sector Initiatives to promote private sector leadership and encourage public-private partnerships that meet public needs and decrease reliance on government. It seems that during the 1970's, people began looking at government not as the tool of last resort but as the first and foremost solution to our problems. Paid government employees began to replace volunteers. Some people acted as if funding ever-expanding government programs with

taxpayer dollars was an act of personal charity. Well, I've always thought charity is what people decide to do with their own time and money by themselves. Had the trend of more and more government financed by higher and higher taxes continued, it would have killed off one of our greatest national assets: the spirit of neighbor helping neighbor.

Our first 44-member task force, chaired by Bill Verity, a prominent businessman that we all know, went to work trying to reinvigorate the American spirit of voluntarism and community service. And for 14 months these top professionals used all their talents and skills to raise awareness and build local networks. A computerized data bank of projects was established, and people everywhere seemed to be on the move. And I was just telling some of my comrades here at the head table that we still have that computer bank. And for people in communities who have a problem and want to know a way to solve it, all they have to do is get in touch, and we can put them in touch with people that have already worked out some private sector way of meeting the problem.

For the first time, a White House Office in Private Sector Initiatives was created. And after the task force finished its work, a Presidential Advisory Council on PSI, headed by another top business leader, Bob Galvin, was set in motion. And now we see thousands of partnerships in education forming. And our aspiring young astronauts are hard at work studying their math and science. Through OPERATION: Care and Share, millions of pounds of food are reaching the needy. Private partnerships are forming to address the issues of child care, missing children, and crime prevention. Small businesses and the corporate world are pitching in, using their entrepreneurial ingenuity to revitalize our neighborhoods and create summer jobs for our young people. Thousands of youngsters are touching America as they help maintain our

public lands.

We're not letting good works go unrewarded. Through the C Flag program, we've been recognizing outstanding community projects. Thousands of these flags are flying around the country symbolizing that great American spirit of we can and we care. I'm deeply grateful to all who are involved. It's been a truly noble endeavor, and I think those who gave their time, energy, and talent have every reason to be proud of what was accomplished—and much has been accomplished.

We've witnessed an explosion of voluntarism in this country over these last 4 years. In 1984 total giving by citizens, corporations, and foundations in this country was a record-breaking \$74¼ billion. That's up a whopping 11.1 percent over 1983. It represents a 41 percent increase over the 1981 levels. Let me also add that with inflation remaining low, these figures are especially relevant. The overall 1985 figures are not compiled yet, but just yesterday I met with the leaders of the United Way and learned that 1985 was a banner year, with donations in that one program alone reaching \$2½ billion. The years 1983 through 1985 represent the largest increase in contributions the United Way has experienced in 25 years, up 30.9 percent. And many people gave not only their money but their time, too. About 92 million people, 55 percent of the American adult population, volunteered time whose worth could be computed out, if you just took an average figure, at about worth \$70 billion.

As an overall phenomenon, we're talking about the world's mighty force for good. On the individual level, both the giver and the receiver benefit when we help one another. Our communities, States, as well as country, are better and more decent places because of it. Even if we were to greatly expand government programs—and I assure you we can't and won't—we could not legislate or regulate the compassion, caring, and innovative use of resources that are built into our voluntary programs.

What are the types of private sector initiatives I'm talking about? Well, let's take a few examples of what some of you right here in this room have done. I know that the New York Stock Exchange, among

many other laudible activities, has designed a program to work with New York State teachers in providing a better economics education for students. And I want to congratulate the chief executive officer and chairman of the exchange, John Phelan, for this. Thank you, John. I also want to thank him for agreeing to serve as Chairman of this Advisory Board. Another example of community service of which we can all be proud is that of the National Association of Broadcasters. NAB has been deeply involved in programs to counter drug and alcohol abuse. They use their medium to build the community in a wide variety of ways—from voter education to producing public service announcements aimed at improving productivity. For all of this, and for agreeing to serve as Vice Chairman of this Advisory Board, I'd like to thank NAB president, Eddie Fritts. Thank you.

Now, I realize that all of you in this room are involved in this type of positive, community-based activity or you wouldn't be here. I just want you all to know that I appreciate what you've done and all the work that you will be doing on this Advisory Board. The ball is in our hands now, and we can't let it drop. We've got positive momentum on which we can build. Now, as you embark on your new mission with this Board, I hope I can count on each of you to use the full extent of your talents and resources to promote the long-term development of private sector initiatives. We must continue to do what we can to bolster phenomenal growth of these private sector efforts. And we must continue to draw attention to how much individuals and private organizations are able to accomplish.

I hope that history will look back on this time not just as a period of economic recovery but also as a time when a rebirth of the American spirit was translated into unprecedented good will and good deeds between all Americans. That goal is well within reach, and we must work to make it real. And I look forward to hearing of your achievements directly and through my Office of Private Sector Initiatives. Thank you for volunteering. Together we can do it.

Now, in a moment I'm going to go out

that door, and I'm going to get a chance to do what I didn't have a chance to do at the beginning at the luncheon, and that is to greet each one of you individually down here in the Blue Room. But I want to thank

you all, and God bless you all for what you're doing. Thank you.

*Note: The President spoke at 1:12 p.m. in the State Dining Room at the White House.*

## Remarks to Business Leaders During a White House Briefing on the Sale of Conrail *January 23, 1986*

I'm delighted to meet with leaders who support our goal of getting the Government out of businesses that should be owned and run by the private sector. This is a test to see if Congress is serious about meeting the challenge of Gramm-Rudman-Hollings—start scaling back the scope and size of government. If we're to bring down deficit spending, what a better place to start than by trimming away those costly activities like Conrail, which the Government should never have been involved with in the first place.

It's time to get serious about deficit spending, and it's time for responsible members in both parties to roll up their sleeves and get to work. We need the best ideas from American business to guide our efforts. And we need the full support of the business community to accomplish our objectives. I've often told a little example of the difference between government—and certainly at the national level—and some place at the community effort. And this was the little town that decided to raise their street traffic signs from 5 feet to 7 feet—thought it would be safer and more visible for the motorists. Federal Government said, "But we have a program to do that. We lower the pavement 2 feet." [Laughter]

But I'm happy to be here today with Secretary [of Transportation] Dole and Jack Albertine, Rich Fink, and Dirk Van Dongen to help promote the sale of Conrail and get the Federal Government out of the railroad business. There's a little poem that could describe what Elizabeth Dole has to put up with in all of this: "I cannot toot the whistle. I cannot ring the bell. But let the darn thing jump the tracks and see who catches

hell." [Laughter]

But over 10 years ago, the Federal Government entered the freight railroad business when several rail carriers went bankrupt. In 1981 I directed the Secretary of Transportation to draw up a plan to sell Conrail. It was clear then that the Government didn't need to be in the railroad business. And the case today for returning Conrail to the private sector is even stronger. Fortunately, the business community has proved it's both capable and eager to assume this responsibility. Many companies bid for the chance to buy Conrail, and we had tough negotiations to get the best deal. Our goals in selling have been that Conrail must remain financially strong so that the railroad will not, again, become a public ward. Service to shippers and communities must be preserved, and the Government must get a good financial return.

Well, nearly a year ago our efforts paid off when Elizabeth, the Secretary of Transportation, selected the Norfolk Southern Corporation to purchase Conrail from the Government. Since then, Congress has been reviewing the rail process. Shippers, State and local officials, other railroad companies, rail labor leaders, and a host of other persons interested in Conrail's future have been given a full opportunity to comment on the proposed sale. And after all that attention, there's no serious question but that Conrail should be returned to private ownership now.

Under the agreement reached, Norfolk Southern has given its approval to public interest covenants designed to preserve quality service, protect the Conrail shippers, and to ensure the financial strength of

Conrail. The buyer is committed to investing hundreds of millions of dollars each year to keep Conrail in top condition. And the sale brings to Conrail the financial resources of a strong parent. Conrail has had to shed tens of thousands of employees and thousands of miles of track in order to become even marginally profitable. So, through the sale, Conrail's services will be integrated into a larger rail system. It'll bring new business to Conrail from the cheaper and faster north-south single-line service that the combined railroads can offer. The new owner will diversify Conrail's traffic base and lower its operating costs. It'll stimulate competition, not inhibit it. Major markets and rail gateways will be open to new competition. Shippers will benefit from these new alternatives, which translates directly into benefits for consumers. And Norfolk Southern will pay the Government over \$1.2 billion in cash on the date of sale, once the Congress approves the necessary legislation. More importantly, the sale of the railroad to a strong buyer means that the already overburdened American taxpayer will never again be called upon to foot the bill. When the private sector can deliver better service for less money than the public sector, as it can with Conrail, then the Government must step aside.

British Prime Minister Margaret Thatcher has successfully privatized more than a dozen major nationalized industries, including British Aerospace, Jaguar, and British

Telecom, generating over £ 7 billion for the treasury. In this country, State and local governments have taken the lead in contracting out such public services as garbage collection, street cleaning, and even prison services to the private sector. Not surprisingly, the result has been reduced costs and better service.

I believe that the sale of Conrail is a good example of how our government can follow Britain's example and responsibly ask the private sector to do a better job. We've found a strong company that promises to promote Conrail's financial strength and service. We have bargained for tough protections to make sure that the buyer lives up to its promise. Government ownership is no way to run a railroad. Your hard-earned tax dollars shouldn't be used to own or operate a business out of a Federal office building. And I hope that you'll join Secretary Dole and me in our fight to get the Federal Government out of the railroad business.

Thank you all very much for being here. God bless you all.

*Note: The President spoke at 10:47 a.m. in Room 450 of the Old Executive Office Building. In his remarks, the President referred to Jack M. Albertine, president, American Business Conference; Richard Fink, president, Citizens for a Sound Economy; and Dirk Van Dongen, president, National Association of Wholesaler-Distributors.*

## Nomination of Michael P.W. Stone To Be an Assistant Secretary of the Army

January 23, 1986

The President today announced his intention to nominate Michael P.W. Stone to be Assistant Secretary of the Army (Financial Management). He would succeed Pringle P. Hillier.

Since 1984 Mr. Stone has been serving as the Director of Caribbean Basin Initiative Affairs at the U.S. Agency for International

Development. From 1982 to 1984, he was Mission Director in Cairo, Egypt. From 1964 to 1982, he worked at the Sterling Vineyards, Napa Valley, CA, in 1973-1982 as president and director and in 1968-1973 as vice president, general manager, and director.

Mr. Stone graduated from Yale University

(B.A., 1945) and New York University Law School (1949). He is married, has two children, and resides in Washington, DC. He was born June 2, 1925, in London, England.

## **Nomination of Robert Lee McElrath To Be a Member of the National Council on Educational Research**

*January 23, 1986*

The President today announced his intention to nominate Robert Lee McElrath to be a member of the National Council on Educational Research for a term expiring September 30, 1987. He would succeed M. Blouke Carus.

Since 1981 Mr. McElrath has been serving as commissioner of education for the State of Tennessee. Previously he was superintendent of Greeneville city schools in Greeneville, TN, in 1968–1980. He was as-

sociate director of the school planning laboratory at the University of Tennessee in 1966–1968 and principal of Clyde Erwin High School, Asheville, NC, in 1958–1966.

He graduated from Mars Hill Junior College (A.A., 1949), Baldwin Wallace College (A.B., 1951), the University of North Carolina (M.P.H., 1957), and the University of Tennessee (Ed.D., 1968). He is married, has two children, and resides in Franklin, TN. He was born July 4, 1924, in Candler, NC.

## **Nomination of James H. Duff To Be a Member of the National Museum Services Board**

*January 23, 1986*

The President today announced his intention to nominate James H. Duff to be a member of the National Museum Services Board, National Foundation on the Arts and the Humanities, for the remainder of the term expiring December 6, 1986. He would succeed Craig C. Black.

Mr. Duff is currently serving as the executive director of the Brandywine Conservancy and the director of the Brandywine River Museum. Previously he was the director of the Museum of the Hudson High-

lands, Cornwall-on-Hudson, NY, in 1969–1973. He served as the president of the Mid-Atlantic Association of Museums and was a regional delegate to the Council of the American Association of Museums in 1982–1985.

Mr. Duff graduated from Washington and Jefferson College (B.A., 1965) and the University of Massachusetts (M.A., 1970). He is married, has two children, and resides in Chadds Ford, PA. He was born October 11, 1943, in Pittsburgh, PA.

## **Appointment of Daniel J. Elazar as a Member of the Advisory Commission on Intergovernmental Relations**

*January 23, 1986*

The President today announced his intention to appoint Daniel J. Elazar to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2

years. He will succeed Mary Kathleen Teague.

Since 1967 he has been serving as professor of political science and director of the

Center for the Study of Federalism at Temple University. He has also been serving as president of the Jerusalem Center for Public Affairs in Jerusalem and Philadelphia since 1976.

Mr. Elazar graduated from the University of Chicago (M.A., 1957; Ph.D., 1959). He is married, has three children, and resides in Philadelphia, PA. He was born August 25, 1934, in Minneapolis, MN.

## **Appointment of Barbara Gregg Ingalls Shook as a Member of the National Cancer Advisory Board**

*January 23, 1986*

The President today appointed Barbara Gregg Ingalls Shook to be a member of the National Cancer Advisory Board for the remainder of a term expiring March 9, 1988. She would succeed Angel Bradley.

Mrs. Shook serves as chairman of the board of the Barbara G.I. Shook Foundation in Birmingham, AL, and on the board of

many charitable and community organizations.

Mrs. Shook graduated from Mount Vernon College (B.A., 1958). She is married, has two children, and resides in Birmingham, AL. She was born September 28, 1938, in Birmingham, AL.

## **Appointment of Carl S. Rauh as a Member of the District of Columbia Judicial Nomination Commission**

*January 23, 1986*

The President today appointed Carl S. Rauh to be a member of the District of Columbia Judicial Nomination Commission for the remainder of the term expiring July 23, 1990. He would succeed Philip A. Lacombe.

Mr. Rauh has been a partner in the law firm of Dunnells, Duvall, Bennett & Porter since 1980. Previously, he served as United States Attorney for the District of Columbia (Court appointed, 1979), and Principal Assistant United States Attorney for the District of Columbia in 1974-1979. He served

as First Assistant Attorney General, U.S. Virgin Islands, in 1972-1973. He was an attorney with the Office of Criminal Justice, U.S. Department of Justice in 1969-1971. He also served as Assistant United States Attorney for the District of Columbia in 1966-1969.

Mr. Rauh graduated from Columbia University (A.B., 1962), the University of Pennsylvania (LL.B., 1965), and Georgetown University (LL.M., 1968). He was born December 14, 1940, in Washington, DC, where he now resides.

## **White House Statement on the President's Meeting With Afghan Children**

*January 24, 1986*

The President met today with five Afghan children, victims of the continuing

Soviet war against the people of Afghanistan. The children are being treated in the



United States for severe wounds and burns they received as a result of the fighting in their homeland. They were brought to the United States by the Free Afghanistan Alliance, a private voluntary organization based in Cambridge, which has arranged for the children to receive treatment and prosthetic devices through an affiliate of the Massachusetts General Hospital.

These children are a poignant reminder of the thousands more who have been killed and hurt since the Soviet occupation of Afghanistan and who have little or no prospect of adequate medical care. The United States Government, with the sup-

port of Congress, provided funds for humanitarian assistance, including medical training, to the freedom fighters and victims of the Soviet war. The American people, particularly groups such as the Free Afghanistan Alliance and the Committee for a Free Afghanistan, have given generously to alleviate the plight of the refugees and those who remain in Afghanistan. But the real solution to the problem must be a political one, including the complete withdrawal of Soviet forces, the establishment of conditions for the safe return of the refugees, and a guarantee of the Afghan people's right to self-determination.

## **Nomination of Paul Dundes Wolfowitz To Be United States Ambassador to Indonesia**

*January 24, 1986*

The President today announced his intention to nominate Paul Dundes Wolfowitz to be Ambassador of the United States to the Republic of Indonesia. He would succeed John Herbert Holdridge.

Mr. Wolfowitz has been Assistant Secretary of State for East Asian and Pacific Affairs since 1982. Prior to that time, he was Director of Policy Planning for the Department of State, where he was assigned in January 1981. From 1980 to 1981, he was visiting associate professor and director of security studies at the School of Advanced International Studies in Washington, DC. He has served in the Government in various capacities: Deputy Assistant Secretary of Defense (Regional Programs), 1977-1980; Special Assistant for SALT, Office of the Director, Arms Control and Disarmament

Agency, 1976-1977; Deputy Assistant Director, Verification and Analysis Bureau, ACDA, 1976; Special Assistant to the Director of ACDA, 1974-1975; professional staff member, Evaluation and Policy Division, Plans and Analysis Bureau, ACDA, 1973-1974; and management intern, U.S. Bureau of the Budget, 1966-1967. In 1970-1973 Mr. Wolfowitz was assistant professor of political science at Yale University in New Haven, CT.

Mr. Wolfowitz graduated from Cornell University (A.B., 1965) and the University of Chicago (Ph.D., 1970). His foreign languages are French and Hebrew. He was born December 22, 1943, in New York. He is married to the former Clare Selgin, and they have two children.

## **Nomination of Gaston Joseph Sigur, Jr., To Be an Assistant Secretary of State**

*January 24, 1986*

The President today announced his intention to nominate Gaston Joseph Sigur, Jr., to be an Assistant Secretary of State (East

Asian and Pacific Affairs). He would succeed Paul D. Wolfowitz.

Dr. Sigur is director of the Institute for

Sino-Soviet Studies and professor of international affairs at George Washington University. He is also a consultant with the National Security Council at the White House and has served as Special Assistant to the President for National Security Affairs and Senior Director of Asian Affairs. Before assuming his position at George Washington University in 1972, Dr. Sigur served for a number of years with the Asia Foundation. He was the representative of the Asia Foundation in Kabul, Afghanistan, from July 1962 to January 1966; in Japan from January 1966 to August 1968; and in Washing-

ton from June 1969 to July 1972. He has written numerous articles and monographs on international relations. He serves on a number of editorial boards of professional journals and is a member of the Association of Asian Studies, the International House of Japan, and the Japan-America Society of Washington.

Dr. Sigur graduated from the University of Michigan (B.A., 1947; M.A., 1948; Ph.D., 1957). He and his wife, the former Estelle Smotrys, have five children, and reside in Montgomery County, MD. He was born November 13, 1924, in Franklin, LA.

## **Designation of Lando W. Zech, Jr., as Chairman of the Nuclear Regulatory Commission**

*January 24, 1986*

The President today announced his intention to designate Lando W. Zech, Jr., to be Chairman of the Nuclear Regulatory Commission upon the June 30, 1986, term expiration of Nunzio J. Palladino.

Since July 1984 he has been serving as a Commissioner of the Nuclear Regulatory Commission. In October 1983 he retired as vice admiral of the Navy after 39 years of commissioned service. Prior to his retirement, Admiral Zech served as Deputy Chief of Naval Operations for Manpower, Personnel and Training/Chief of Naval Personnel. He was commander of the U.S. naval forces in Japan in 1978-1980; chief of Navy technical training at Memphis, TN, in 1976-1978; and Commandant, 13th Naval District at Seattle, WA, in 1974-1976. In 1970 he was assigned to the Secretary of

the Navy's Office of Program Appraisal and served as Deputy Chief of Legislative Affairs, Navy Department. In 1972-1974 he was deputy commander of the Navy Recruiting Command and was selected for flag rank. His citations include the Distinguished Service Medal, two Legion of Merit awards, the Navy Commendation Medal, the American Defense Service Medal, the American Campaign Medal, and the World War II Victory Medal.

Mr. Zech graduated from the United States Naval Academy (B.S., 1944), the Armed Forces Staff College (1958), the National War College (1968), and George Washington University (M.S., 1971). He was born June 29, 1923, in Astoria, OR, and now resides in Falls Church, VA.

## **Remarks to Business Leaders During a White House Briefing on the Fiscal Year 1987 Budget**

*January 24, 1986*

I hope I haven't kept you waiting. I had to stop in at a meeting down the hall there of Republican mayors. I had a ticket to fix. *[Laughter]* Well, good afternoon, and wel-

come to the White House complex. I'm very glad that you could come by to see us and to hear our views on the issues that will shape the budget in 1986.

The Federal deficit is among the last major obstacles blocking America's path to permanent prosperity. In these past 5 years, we've cut tax rates by nearly 25 percent and then indexed the brackets to protect people from being bumped into higher brackets by inflation. We've seen inflation itself drop by two-thirds, interest rates tumble by more than half, and we've seen more than 9 million Americans find jobs during 3 straight years of economic growth. Americans, I think, are believers again.

There's one area where no one believes the Federal Government is doing a good enough job—and that's getting Federal spending under control. And I'm with you—I don't think so, either. Even though tax revenues have been growing, spending has been shooting up even faster. And so, the Congress passed the Gramm-Rudman-Hollings amendment that mandates steadily declining deficits until we reach a balanced budget in fiscal year 1991. And that's when I think we should have a constitutional amendment that says from here on, it'll always be a balanced budget. And when we get that, I'm going down there to the Jefferson Memorial to see if that statue of Tom is smiling. *[Laughter]* Because he's the first person that ever remarked about that. At the ratification of the Constitution, Thomas Jefferson very eloquently said it has only one glaring omission: "It does not have a prohibition against the Federal Government borrowing money." So, let's catch up with him.

Well, I want you to know that the budget we submit in a couple of weeks is going to meet the deficit targets that were set by that legislation I mentioned. And it will do so while protecting Social Security and the safety net, while going forward with the bare minimum that we need in defense spending growth and without increasing taxes. We've got to get government in shape for the 21st century. And one of the ways we plan to do that is by getting government out of activities that it can no longer afford or shouldn't have been doing in the first place. A case in point is our determination to sell Conrail and get the Federal Government out of the railroad business. Yesterday, before a group in this same room, I urged Congress to help us

meet our deficit targets by approving the sale of Conrail. And I'm happy to tell you that the Senate passed its first test vote on that issue by a score of 90 to 7 yesterday, so I think we're on our way. I've heard that our budget will be DOA, dead on arrival, maybe even dead before arrival. Well, the gravediggers better put away their shovels and get out their hammers because we're not burying our budget. We intend to get that budget passed and to build a prosperity that lasts for all the American people.

And now let me address another issue—defense. *[Laughter]* I know there are some who claim that we are spending too much on defense, that defense is somehow being allowed to escape the harsh scrutiny of the budget process. Well, forgive me, but the modest defense growth that we're calling for already represents a major compromise with the Congress. Indeed, while doing our best to improve the Nation's defenses, we have compromised with the Congress on every defense budget since September 1981. They have all been reduced below the figures that we had believed were essential if we were to be doing the job. We've compromised so much that this year, for the first time in more than a decade, the defense budget has actually fallen below what it was the year before.

But by far the most important point is this: Of all the items in the budget, defense is the only one which must be decided with reference not only to American policy but to the policies of foreign powers who would attempt to terrorize, intimidate, or threaten us and our allies. While our defenses fell into disrepair during the 1970's, the Soviets raced ahead with the biggest military buildup in the history of the world. And that buildup continues. The Soviets are engaged in space weapons research. They are constantly adding to their nuclear arsenal and are tirelessly building up their conventional armed forces, especially their navy. I don't mind sharing with you one of the exchanges that I had with Secretary General Gorbachev. He suggested that maybe we were trying to bankrupt them by forcing them into an arms race. I ended that argument when I told him we were still just trying to catch up with what they were doing. But to

gut the defense budget now would be to put at risk the developing nations of the Third World, including growing democracies like El Salvador and Ecuador, to endanger the defense of Western Europe. It would cripple our hopes for successful arms talks with the Soviets, and we cannot permit this.

Now, of course, there are some in this town who'll underestimate this budget and my intention to support it. That's all right. I got used to being underestimated all the way back in 1966 when I ran for Governor of California. When Jack Warner, head of the Warner Brothers Studio, where I had been under contract for 13 years as an actor—when he heard about the campaign and that I was running for Governor, Jack said, "No, no. Jimmy Stewart for Governor; Ronald Reagan for best friend." [Laughter]

But there's no question that Gramm-Rudman-Hollings is going to demand some hard choices. But I'm confident that our budget makes the right choices and that it

deserves your support. So, please, let your voices be heard both at home and right here in Washington. You do that and Capitol Hill will get the idea; they're rather sensitive to that sort of thing. And, my friends, I want to thank you for all the support that you've already given us. Together we're participating in history. We are shaping America's future. The budget battle promises to be long and hard, but the rewards will be great. And once we bring deficit spending to an end, our nation will enter an era of unparalleled opportunity and growth. So, be heard, and realize that there are a great many of your friends and colleagues—greatly intelligent and informed on a great many issues, but who don't really know how ridiculous the whole Federal budgeting process really is. We're trying to get that straightened out, too.

So, God bless you all. Thank you.

*Note: The President spoke at 1:17 p.m. in Room 450 of the Old Executive Office Building.*

## Appointment of Three Members of the President's Commission on White House Fellowships

January 24, 1986

The President today announced his intention to appoint the following individuals to be members of the President's Commission on White House Fellowships. These are all new positions.

**Richard Michael Larry** is president and trustee of the Sarah Scaife Foundation, Inc., in Pittsburgh, PA. He graduated from Grove City College (B.S., 1960). He is married, has two children, and resides in Pittsburgh, PA. He was born August 10, 1935, in Pittsburgh.

**James E. Seitz** is partner in charge of the New York City office of Touche Ross & Co. He grad-

uated from the University of Michigan (B.S., 1950; M.B.A., 1957). He is married, has two children, and resides in Greenwich, CT. He was born June 29, 1928, in Detroit, MI.

**Constance Horner** is Director of the Office of Personnel Management. Previously she served as Associate Director of the Office of Management and Budget. She graduated from the University of Pennsylvania (B.A., 1964) and the University of Chicago (M.A., 1967). She is married, has two children, and resides in Washington, DC. She was born February 24, 1942, in Summit, NJ.

## Radio Address to the Nation on the State of the Union *January 25, 1986*

### *My fellow Americans:*

In 3 days I'll be going up to the Capitol to fulfill my responsibility of reporting to the Congress on the State of the Union. So, I'm spending this weekend finishing up some last minute work on my speech—dotting the i's and crossing the t's and taking time to look back and to reflect on the days and months ahead.

A piece of history trivia for you: After Washington and Adams, Thomas Jefferson discontinued the practice of delivering an annual State of the Union Address. He began a long custom of delivering written messages. It wasn't until 1913 that President Woodrow Wilson returned to the House Chamber to deliver a speech. Wilson felt a President could do a better job reading his message than a clerk could. He said, "I'm very glad to have this opportunity to address the two Houses directly and to verify for myself that the President is a person, not a mere department of the government hailing Congress from some isolated island of jealous power—that he is a human being trying to cooperate with other human beings in a common service." Cooperate in a common service—I guess that pretty much says it all.

This will be my fifth State of the Union Address. It's almost getting to be old hat. In each address I've been mindful of one unchanging fact: I may be a Republican President, and be mighty proud of it, but I need the help of Republicans and Democrats in the Congress if we're going to solve the serious problems confronting our nation. I think back to 1981—to the terrible economy, the inflation and interest rates, the sense that, both home and abroad, everything had gone haywire and was slipping out of control. And I remember the first thing I did was to ask the Congress to pass an economic recovery program—one that would not be my program, but our program. By "our" I meant not just those of us who serve here in Washington but we, the American people. And so it was.

We came together as a nation. All of us

cooperated to rescue a country in distress and bring America back. So, now we look ahead again with high hopes that we can build on our success and work in bipartisan spirit to make 1986 the year of opportunities for America. A year of opportunities to create a future of unlimited opportunity; a year to unite for full employment from Harlem to Hawaii so that every American who seeks work can find work; to build a floor of security beneath every family, but no ceiling of opportunity above any American's head; to act now so that our children can truly look forward to inheriting a land freed from runaway debt, prices, crime, and drugs; and, yes, freed from the terror of nuclear attack.

We know the challenges we must meet. We must make sure that government no longer stands as a roadblock to a stronger and smarter economy—an economy that becomes more sophisticated technologically in both our new and traditional industries, so we can compete successfully with our trading partners. We need to make sure that the weight of taxes and education, health and retirement costs, doesn't crush those who will lead America into the 21st century with their risk-taking and hard work. And we need to do all that's required of us to keep America secure.

In this storm-tossed world of terrorists and totalitarians, America must always champion freedom, for freedom is the one tide that will lead us to the safe and open harbor of peace. So let us join hands, Republicans and Democrats, and go forward together vowing not to flinch from the difficult but wise decisions that await us: to get government spending under control; to make our system a model for greater simplicity, fairness, and growth; and to prepare America for a prosperous future in a world that is free and at peace.

This year marks the 199th anniversary of Shays' Rebellion, sparked by, among other grievances, a high land tax that weighed down on working people. Shays, a farmer and a veteran of the Revolution, had fought

for the independence and freedom of our country. Shays' protest was put down forcefully, but it helped lead to the adoption of the United States Constitution, a blueprint for freedom giving each of us the right to help direct the course of our government to fight against injustice, if you will, without having to lead an armed revolution. Our future can be as heroic and as exciting as

we will it to be. Each day brings new opportunities for great dreams and great feats. Let's begin now—united, confident, and determined to get the job done.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.*

## Interview With Tom Brokaw of NBC News Prior to Super Bowl XX January 26, 1986

*Mr. Brokaw.* Mr. President, thanks for being with us today.

*The President.* Well, I'm pleased to be here.

*Mr. Brokaw.* Over, what, almost 20 years now, I've asked you a lot of questions about a variety of subjects—

*The President.* Yes.

*Mr. Brokaw.* —but seldom have so many people been so interested as they are in this next question. I know you're the representative of all the people, but the time has come, Mr. President, for you to make a choice. Now, who do you like: the Bears or the Patriots?

*The President.* I think they're both great teams. I recognize that, in my position, I'm not supposed to take sides. I have to say it's very easy, though, to really be, well, proud of and approving of both of these teams. The Patriots and all that they've gone through and—starting, as they did, later in the season, recovering and coming back and being there in the Super Bowl—and the length of time the people have waited for this, but on the other hand I go back in memory to the Bears and a close personal friendship with "Papa Bear," George Halas, when he was alive. So, I'm just going to say, "May the best team win."

*Mr. Brokaw.* We shouldn't read too much into the fact that you're wearing red, which—Patriot colors.

*The President.* I worried about that while I was watching the pregame show here and wondered whether I maybe should change into a neutral color. And then I saw a shot

of the Chicago Bears, and one of them was wearing a red sweater, and I decided it was all right.

*Mr. Brokaw.* Super Bowl Sunday has become a kind of undeclared national holiday. Do you think that occasions like this help shape our national character, or are they really just kind of entertaining diversions from things like the deficit and terrorism and Qadhafi and so on?

*The President.* Well, I think it's typically American that we can have—or be diverted by things like this from the serious problems, and I think it's part of the American personality. And I know that other countries take athletics seriously, too, but there's something different about it in America. It's so much a part of American life that I think it's a part of our personality.

*Mr. Brokaw.* I know that football was important to you as a young man, so last week I called your old college football coach, Ralph McKinzie, at Eureka College. He's 91 years old—

*The President.* Yes.

*Mr. Brokaw.* —still strong of voice. Now, here's what he told me. He said that you were "eager, aggressive, better on defense, but overall an average football player, but an outstanding talker." [Laughter] Is that a fair scouting report?

*The President.* Well, probably. And I'm pleased that he did remember that much. After 91 years, he's still coaching. So, there've been how many hundreds or thousands of young men have come through the ranks with him. But I remember him very

vividly as a coach. He could demonstrate as well as tell you, because he had been a star at Eureka College, a great star himself.

But I remember, for example, one day running plays. And to make scrimmage more even in practice, we would have the first-string backfield with the second-string line and the first-string line with the second-string backfield—kind of even things up. So, he was teaching a play to the first-string backfield over there, and the fellow that was to carry the ball wasn't getting it right. And Mac—this was his way—he just came in and gently pushed him aside and says, "Now, wait a minute. Watch this." Now, we in the line on the other side, we know what the play is; we know where the man's coming. In fact, I got my hands on Mac when he came through, and I hurt every place he touched me. And right through the varsity line and the second-string backfield, back with the ball, threw the ball down, and says, "Now, do it that-a-way."

*Mr. Brokaw.* Now, you were a guard; and Presidents Ford, Nixon, and Kennedy also played in the line. What is there about the line that prepares you for Presidential politics better than the backfield, it appears?

*The President.* Well, you know, the line certainly feels that those fellows behind them wouldn't be able to do anything if we didn't pave the way for them. But, no, I was a guard; and 3 years of varsity ball at Eureka, I averaged all but 2 minutes of every game.

*Mr. Brokaw.* And then when you became a film star, you got to play the part of the legendary George Gipp of Notre Dame, the Gipper, a great running back. But lately, we've learned that Gipp was not only a great athlete, but he was a bit of a rogue. He was a pool shark and a card shark and—

*The President.* There were some, but he was as loyal and as principled about football and winning for Rockne. Yes, I knew some of those stories about him. As a matter of fact, I had been trying to write the story, when I got in pictures, with the idea of playing Gipp. And Warner Brothers bought the life story of Knute Rockne, and there it was. But, yes, Gipp was older than the rest of the fellows and totally dedicated to win-

ning and all, but he was a fellow that could almost—it was like Babe Ruth pointing at the center field fence and then hitting it over that fence—he could almost do whatever he said he would do. And Mrs. Rockne, who was on the picture with us, told us that he was the only man in all those years that ever really got under Rock's skin to where there was a kind of father-son relationship with him.

*Mr. Brokaw.* The Oval Office may be the only office in America that doesn't have a betting pool going on the Super Bowl. Someone has estimated that, what, \$2 billion may be wagered on this Sunday, most of it illegally. Does that bother you at all—that there's so much betting on football?

*The President.* Well, I wish that it could be without, because I think when it gets up to that kind of money, then there is too much temptation to try and fix things. And human nature being what it is, we know from past history that sometimes they get away with that. That was one of Rockne's greatest determinations, was he threw a gambler out of his office one day, bodily, who had come to see him and was seeking some information about who was going to win. And Rock just—he hated the idea of gambling associated with football.

*Mr. Brokaw.* Mr. President, football is a metaphor for so many things in American life, including politics. Now, at the end of this game today, one team is going to be in a deficit situation and all those players are going to face a very taxing year in 1986. You're about to deliver the State of the Union Address. Are you going to put the American people through the same experience in 1986—a taxing year?

*The President.* A tax year, you say?

*Mr. Brokaw.* A taxing year. Will this be a tough year for them?

*The President.* I don't like the use of that word. It might be taxing for me and my energy. But I don't like the idea that someone might hear this and think I'm thinking of taxing them, because I'm not. [Laughter] I don't want any tax increase.

*Mr. Brokaw.* Right now all you have on your mind is the Super Bowl? Watching it with Mrs. Reagan, I gather?

*The President.* That's right, and remem-

bering football much more vividly than you normally do. It all comes back, and you find yourself kind of remembering what the cleats felt like under your shoes.

*Mr. Brokaw.* Well, we hope you have a great afternoon, and we hope that it's a great game. Final chance—do you want to pick a score or a team?

*The President.* No. Do I have a second so that I could tell you a little incident in my memories of football?

*Mr. Brokaw.* Sure, absolutely.

*The President.* Well, it was our ball back on our own 35-yard line. We were 1 point behind. There were 20 seconds to play, but we thought the ref had said 2 minutes. And Bud, our quarterback, called an off-tackle run with himself carrying the ball. As a running guard, I came out and led the interference. And the key to the play was me getting that first man on the secondary; I missed him. But Bud cut back to the sideline, went 65 yards for the touchdown, and we won the game. Now, that stuck with me. I never could figure out: How did he do it with me missing that block?

And the very next season, when I was auditioned to become a sports announcer, and they told me to stand in front of the microphone and imagine a football game

and describe it on radio. So I did, and I chose that game because I knew enough of the players' names that I could get by and so forth. And I thought, "I won't start with the kickoff or anything. I'll start in the fourth quarter." I had the chill wind coming in through the end of the stadium. We didn't have stadiums; we had bleachers. But anyway, I did all those things; and then I called that play. And this time I nailed that man in the secondary. [Laughter] I claim this is the first instant replay. Only it wasn't instant; it was a year later. But, no, it was a beautiful, earth-shaking block.

*Mr. Brokaw.* The great thing about being a President or a sports announcer, you can go back and correct all those mistakes, all those missed blocks.

*The President.* Yes.

*Mr. Brokaw.* Mr. President, I hope you have a great afternoon watching the game. Thanks again for being with us today.

*The President.* Looking forward to it, and thank you.

*Note: The interview began at 4:45 p.m. in the Library at the White House. It was broadcast live prior to the football game between the Chicago Bears and the New England Patriots in the Superdome in New Orleans, LA.*

## Proclamation 5433—Truck and Bus Safety Week, 1986 January 25, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Truck and bus safety is important to all Americans. More than 5 million trucks travel more than 135 billion miles each year on our highways transporting raw materials, finished goods, food, and other essential products and services. Buses annually carry millions of Americans to over 10,000 cities and communities. Clearly, the safe maintenance and operation of trucks and buses is vital to the health and safety of all users of our Nation's thoroughfares.

The truck and bus industry is a major

employer in our country, essential to the Nation and to the smooth and safe flow of commerce. The safe operation of trucks and buses is of great consequence to the motor-ing public with which they share the roads. Safety compliance not only saves lives, it is also sound business practice. It reflects well on the industry and enhances profitability.

Ultimately, the most important means to improve safe operation are those activities undertaken by the truck and bus industry itself. Therefore, I challenge each and every person, business, and association involved in the industry to make a commitment to encourage safe truck and bus operations. I am



convinced that such an effort will reward everyone. The industry must also inform the public that safety is one of its highest priorities.

January is a particularly appropriate time to direct the Nation's attention to special care in the operation of vehicles on the highways, because of ice and snow conditions in many parts of the country. Observance of this week should help to establish an increased safety consciousness throughout the entire year.

I call upon our State governments to increase their efforts to improve safety compliance, using their own resources as well as funds provided by the Federal government. I call upon industry, labor, and the professional drivers of the country to continue to improve the safe operation of trucks and buses. Very special care must be exercised in seeing to the safe maintenance and operation of trucks carrying extremely hazardous materials.

The Congress, by Senate Joint Resolution

235, has designated the week beginning January 26, 1986 as "Truck and Bus Safety Week" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of January 26 through February 1, 1986, as Truck and Bus Safety Week, and I call upon all Americans to observe this week with appropriate activities and informational programs.*

*In Witness Whereof, I have hereunto set my hand this twenty-fifth day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:31 a.m., January 27, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on January 27.*

## Remarks to Business Leaders During a White House Briefing on the Fiscal Year 1987 Budget

January 27, 1986

I don't know how long you've been in here, but if you've been in here since before it was snowing, I can tell you it's snowing outside now. *[Laughter]* They don't have that in California. Well, good morning, and welcome to the White House complex. I'm glad that you could come by to see us and hear our views on the issues that will shape the budget debate in 1986.

The Federal deficit is among the last major obstacles, I think, blocking America's path to literally permanent prosperity. In these past 5 years, we've cut tax rates by nearly 25 percent and then indexed the brackets to protect people from being bumped by inflation up into higher brackets. We've seen inflation itself drop by two-thirds, interest rates tumble by more than half, and we've seen more than 9 million Americans find jobs during 3 straight years

of economic growth.

Americans are believers again. But there's one area where no one believes the Federal Government is doing a good enough job, and that is getting Federal spending under control. Even though tax revenues have been growing, spending has been shooting up even faster. And so the Congress passed the Gramm-Rudman-Hollings amendment that mandates steadily declining deficits until we reach a balanced budget in fiscal year 1991. And I want you to know that the budget we submit in a week will meet the deficit target set by that legislation; and it will do so while protecting Social Security and the safety net—the safety net is the term, you know, in 1981 that we used to talk about those programs to help the truly needy—and it will go forward with the bare minimum that we need

in defense spending growth and without increasing taxes.

We've got to get government in shape for the 21st century. And one of the ways that we plan to do that is by getting government out of activities it can no longer afford or shouldn't have been doing in the first place. To name just one case in point, we're determined to sell Conrail and get the Federal Government out of the railroad business. Never should have been in it in the first place. You know, I can remember back in World War I, when the Government took over the railroads. And if World War I had lasted as long as World War II, there wouldn't be any railroads anymore. *[Laughter]*

But now let me address another issue: defense. I know that there are some who claim that we're spending too much on defense, that defense is somehow being allowed to escape the harsh scrutiny of the budget process. Well, forgive me, but the modest defense growth we're calling for already represents a major compromise with the Congress. Indeed, while doing our best to improve the Nation's defenses, we've compromised with the Congress and given in on every defense budget since September 1981. And we've compromised so much that this year, for the first time in more than 10 years, the defense budget has actually fallen below what it was the year before. But by far the most important point is this: Of all the items in the budget, defense is the only one which must be decided with reference not only to American policy but to the policies of foreign powers who might attempt to terrorize, intimidate, or threaten us and our allies. It's more or less dictated by what someone in some other country is doing.

While our defense fell into disrepair during the 1970's, the Soviets raced ahead with the biggest military buildup in history. And that buildup continues. I had the pleasure when Mr. Gorbachev brought up the point of our military buildup to me—as if it was somehow aimed at them—when he finished saying that, I had the pleasure of saying, "Mr. General Secretary, we're still playing catchup with you." And he changed the subject. *[Laughter]* But the Soviets are engaged in space research, are constantly

adding to their nuclear arsenal, and are tirelessly building up their conventional armed forces, especially their navy. To cut the defense budget now any more than we have would put at risk the developing nations of the Third World, including growing democracies like El Salvador and Ecuador, and would endanger the defense of Western Europe. It would cripple our hopes for successful arms talks with the Soviets, and we can't permit this.

Now, of course, there are some in this town who will underestimate this budget and my intention to support it, and that's all right. I got used to being underestimated all the way back in 1966 when I first ran for Governor of California. I was under contract for 13 years to Warner Brothers Studio. And Jack Warner, the head of Warner Brothers, when he heard about the fact that I was in a campaign for Governor, he said, "No, no. Jimmy Stewart for Governor; Ronald Reagan for best friend." *[Laughter]* Well, the doubters had better really get ready, because we intend to get that budget passed and build a prosperity that will last for all the American people.

The first step to cutting the Federal deficit is cutting the hot partisan rhetoric. If we work together, the American people will be winners because controlling spending will increase economic growth. There's no question that Gramm-Rudman-Hollings is going to demand some hard choices, but I'm confident that our budget makes the right choices and that it deserves your support. So, please, let your voices be heard—both at home with your neighbors and your friends—because I found out a great many people just don't understand how "Mickey Mouse" the budgeting system in Washington really is. It's confusing. So, tell them, but also let your voice be heard right here in Washington. I've said many times, over and over again, up on Capitol Hill: "It isn't necessary to make them see the light, just feel the heat." *[Laughter]* If you make your voices heard, Capitol Hill will get the right idea. I thank you all for the support that you've already given us. Together we're participating in history, shaping America's future.

The budget battle promises to be long

and hard, but the rewards will be great. For once we bring deficit spending to an end, our nation will enter an era of unparalleled opportunity and growth. And once we, through Gramm-Rudman-Hollings, reach that point where the budget is balanced, then we must have an amendment that says from then on the Federal Government's budget will have to be balanced. And when that happens, I'm going to go right down there to the Jefferson Memorial and see if he's smiling—[laughter]—because he's the first fellow in our nation's history that called

for that. When they were ratifying the Constitution, Thomas Jefferson said it has one glaring omission: It has no proviso prohibiting the Federal Government from borrowing money. Well, it's about time we caught up to Thomas Jefferson and made that a fact of life.

God bless you all, and thank you very much for being here.

*Note: The President spoke at 11:03 a.m. in Room 450 of the Old Executive Office Building.*

## **Nomination of Major General Thomas K. Turnage To Be Administrator of Veterans Affairs** *January 27, 1986*

The President today announced his intention to nominate Maj. Gen. Thomas K. Turnage to be Administrator of Veterans Affairs. He would succeed Harry N. Walters.

Since 1981 General Turnage has been serving as Director of the Selective Service System. In 1979 he served as Special Assistant for Training and Readiness to the Deputy Assistant Secretary of Defense (Reserve Affairs). Previously he served on active duty in the United States Army and the National Guard. His career with the Armed Forces spans a period of time from

1941 to 1981. His decorations and awards include the Legion of Merit with Oak Leaf Cluster, Bronze Star Medal, Meritorious Service Medal, Army Commendation Medal, Korean Presidential Unit Citation, and the California Medal of Merit with three Oak Leaf Clusters.

He graduated from the University of California at Los Angeles (B.S.) and George Washington University (M.S.). He is married, has two children, and resides in Washington, DC. He was born June 27, 1923, in Conroe, TX.

## **Nomination of Andrew John Strenio, Jr., To Be a Commissioner of the Federal Trade Commission** *January 27, 1986*

The President today announced his intention to nominate Andrew John Strenio, Jr., to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1982. He would succeed George W. Douglas, who has resigned.

Mr. Strenio served as a member of the Interstate Commerce Commission from September 1984 until December 31, 1985. He was an Assistant Director for Regulatory

Evaluation, Bureau of Consumer Protection, the Federal Trade Commission, from July 1982 to September 1984. Prior to joining the Bureau of Consumer Protection, Mr. Strenio was staff economist for the Council of Economic Advisers in 1980–1981; attorney with the law firm of Wald, Harkrader & Ross in Washington, DC, 1980; and research associate with the Huron Institute of Cambridge, MA, 1978–1979. In 1977–1978

Mr. Strenio researched and wrote "The Testing Trap," a book about the educational testing industry.

He graduated from Princeton University

(A.B., 1974) and Harvard Law School (J.D., 1978). Mr. Strenio is married, has two children, and resides in Bethesda, MD. He was born April 3, 1952, in Erie, PA.

## Designation of Douglas W. McMinn as a Member of the Board of Directors of the Overseas Private Investment Corporation

January 27, 1986

The President today announced his intention to designate Douglas W. McMinn to serve as a member of the Board of Directors of the Overseas Private Investment Corporation, United States International Development Cooperation Agency. He would succeed Richard T. McCormack.

Since 1985 Mr. McMinn has been Assistant Secretary of State (Bureau of Economic and Business Affairs). He served as Director of International Economic Affairs at the National Security Council in 1982-1985. He was designated by the President to help guide policy preparations for the 1984 London economic summit and the 1985

Bonn economic summit. He served at the Department of Commerce in 1981-1982. Previously, he served as deputy chief of mission, Office of the United States Trade Representative, Geneva, Switzerland (1979-1981); a special assistant to the Deputy Special Trade Representative (1977-1979); and an international economist at the Department of the Treasury (1975-1977).

Mr. McMinn graduated from Gustavus Adolphus College (B.A., 1969) and Johns Hopkins University (M.L.A., 1972; M.A., 1975). He is married, has three children, and resides in Alexandria, VA. He was born July 18, 1947, in Salt Lake City, UT.

## Exchange With Reporters on the Explosion of the Space Shuttle Challenger

January 28, 1986

*The President.* Well, I'm sure we all realize there's a little change in the procedures. I'd looked forward to coming in here and having a little session with you and some briefing, all very carefully sequestered until 9 o'clock tonight on the State of the Union. But in view of the tragedy that has befallen us, I don't think we'll do that. I know that you're interested in keeping up with this, as I am also, to find out the extent of it and what has taken place. So, I just wanted to say hello and appreciate your coming here and maybe we can do the other thing another time.

*Q.* Mr. President, can you give us your comments on the tragedy so that we can tell the American people your words, your thoughts?

*The President.* Well, what can you say? It's a horrible thing that all of us have witnessed it and actually seen it take place. And I just can't rid myself of the thought of the sacrifice and the families that have been watching this also, the families of those people on board and what they must be going through at this point. I'm sure all of America is more than saddened, feels the great weight of this, and wishes, as I do, that there was something we could do to make it easier for those who've suffered such a loss.

*Q.* Mr. President, what is the latest word you've gotten? Have you gotten any definitive word on the condition—

*The President.* Actually, no. We have no

more information than you yourselves have that are going down there. It's a case of having to wait.

*Q.* Mr. President, do you want to see all systems halted until we find out explicitly what happened in this tragedy?

*The President.* Well, I'm not a scientist. I do have confidence in the people that have been running this program. And this is the first in, what is it, 56-some flights that something of this kind has happened. I certainly want everything done that can be done to find out how this could have happened and to ensure against its happening again. But there again, I have to say I'm sure that the people that have to do with this program are determined to do that right now. And I'm quite sure, also, when you look at the safety measures that sometimes those of us looking on have gotten a little impatient with when flights have been aborted, and it hasn't seemed as if the situation—well, it seems as if they were taking things too seriously. Now we know they weren't. And so, I'm confident that there will be no flight until they are absolutely as certain as a human being can be that it is safe.

*Q.* Mr. President, do you think it raises questions about having citizens aboard the space shuttle?

*The President.* Well, they're all citizens, and I don't think anyone's ever been on there that isn't a volunteer. I know I've heard many times from other people that have tried to give me reasons why they, or someone like them, should be included in flights of this kind. So, no, that is the last frontier and the most important frontier. We have to say that the space program has been most successful, most effective. And I guess we've been so confident of it that it comes as such a tremendous shock when something of this kind happens.

*Q.* Will you still go ahead, sir, with your message tonight?

*The President.* What?

*Q.* Will you go ahead with your message tonight?

*The President.* Yes, I feel that things like that have to go on.

*Q.* Mr. President, are you afraid there'll be any public backlash against the space program because of this tragedy?

*The President.* I shouldn't think so, and I

would certainly do everything I could to express an opinion the other way. You know, we have accidents in every line of transportation, and we don't do away with those things. They've probably got a better safety record than we have out on the highways.

*Q.* Mr. President, will you tell us—

*Q.* Do you think it was a mistake to put the teacher on board?

*The President.* What?

*Q.* Do you think it was a mistake to put the teacher on board?

*The President.* No. Again, as I say, this is what the whole space program is leading towards—actual use.

*Q.* Mr. President, will you tell us exactly who brought you the news and exactly what you thought and said at that point?

*The President.* We were all sitting in there, and I was preparing myself for your questions on the State of the Union Address when the Vice President and [Assistant to the President for National Security Affairs] John Poindexter came into the room. And all they could say at the time was that they had received a flash that the space shuttle had exploded. And we immediately went into the adjoining room where I have a TV set to get on this, because there was no direct word except that word that had been made public also. And there we saw the replaying and saw the thing actually happen. And it just was, as I say, a very traumatic experience.

*Q.* But how does that affect your State of the Union speech tonight? I mean, we were told you were going to give an upbeat—"the state of the Union is good"—you know, optimistic speech. This has got to cast a pall on it, doesn't it?

*The President.* Yes, I'm sure it does. And certainly there could be no speech without mentioning this. But you can't stop governing the Nation because of a tragedy of this kind. So, yes, we'll continue.

*Q.* Philosophically, do you take some solace in the fact that over the years the American space program has been remarkably safe, that we've not lost as many people as we've been led to believe have been lost in the Soviet Union?

*The President.* Well, I think we've all had

a great pride in that. And it is a kind of, well, at least something to cling to right now, although it doesn't lessen our grief at what has just taken place.

*Q.* Mr. President, the sending of civilians in space was based on the assumption that it was routine to go into space, that it was now safe, even a teacher we could send up. Do you think that notion is now gone?

*The President.* Well, what could you say, other than that here was a program that had a 100-percent safety record. The only other fatality did not take place in a space shuttle. It took place in an old type of capsule—

*Q.* Mr. President—

*Mr. Buchanan.* One question. One more question.

*Q.* —so many children have, you know, been a part of this particular space shuttle because of the teacher, and they're doing classrooms. Can you say something that would help them to understand how this happened?

*The President.* I think people closer to them have got to be doing that. But as I say, the world is a hazardous place, always has been. In pioneering we've always known that there are pioneers that give their lives out there on the frontier. And now this has happened. It probably is more of a shock to all of us because of the fact that we see it happen now and—thanks to the media—not just hearing about it as if something that happened miles away. But I

think those that have to do with them must, at the same time, make it plain to them that life does go on and you don't back up and quit some worthwhile endeavor because of tragedy.

*Q.* Do you have any—

*Mr. Buchanan.* —got some folks in the Oval Office that are waiting—

*The President.* Oh.

*Q.* Sir, do you have any special thoughts about Christa McAuliffe, who, I think it was in this room, was named as the first teacher? What are your thoughts about her today?

*The President.* I can't get out of my mind her husband and her children. But then that's true of the families of the others. Theirs probably more so because the families of the others had been a part of this whole program and knew that they were in a hazardous occupation. But knowing that they were there and watching, this just is—well, your heart goes out to them.

*Q.* Thanks very much.

*Note: The President spoke at 1 p.m. in the Roosevelt Room at the White House. At 11:39 a.m., shortly after lift-off from Cape Canaveral, the space shuttle was destroyed by an explosion that killed Commander Francis R. Scobee and crewmembers Michael J. Smith, Judith A. Resnik, Ronald E. McNair, Ellison S. Onizuka, Gregory B. Jarvis, and Sharon Christa McAuliffe. Patrick J. Buchanan was Assistant to the President and Director of Communications.*

## Address to the Nation on the Explosion of the Space Shuttle *Challenger*

January 28, 1986

Ladies and gentlemen, I'd planned to speak to you tonight to report on the state of the Union, but the events of earlier today have led me to change those plans. Today is a day for mourning and remembering. Nancy and I are pained to the core by the tragedy of the shuttle *Challenger*. We know we share this pain with all of the people of our country. This is truly a national loss.

Nineteen years ago, almost to the day, we lost three astronauts in a terrible accident on the ground. But we've never lost an astronaut in flight; we've never had a tragedy like this. And perhaps we've forgotten the courage it took for the crew of the shuttle. But they, the *Challenger* Seven, were aware of the dangers, but overcame them and did their jobs brilliantly. We mourn

seven heroes: Michael Smith, Dick Scobee, Judith Resnik, Ronald McNair, Ellison Onizuka, Gregory Jarvis, and Christa McAuliffe. We mourn their loss as a nation together.

For the families of the seven, we cannot bear, as you do, the full impact of this tragedy. But we feel the loss, and we're thinking about you so very much. Your loved ones were daring and brave, and they had that special grace, that special spirit that says, "Give me a challenge, and I'll meet it with joy." They had a hunger to explore the universe and discover its truths. They wished to serve, and they did. They served all of us. We've grown used to wonders in this century. It's hard to dazzle us. But for 25 years the United States space program has been doing just that. We've grown used to the idea of space, and perhaps we forget that we've only just begun. We're still pioneers. They, the members of the *Challenger* crew, were pioneers.

And I want to say something to the schoolchildren of America who were watching the live coverage of the shuttle's take-off. I know it is hard to understand, but sometimes painful things like this happen. It's all part of the process of exploration and discovery. It's all part of taking a chance and expanding man's horizons. The future doesn't belong to the fainthearted; it belongs to the brave. The *Challenger* crew was pulling us into the future, and we'll continue to follow them.

I've always had great faith in and respect for our space program, and what happened today does nothing to diminish it. We don't

hide our space program. We don't keep secrets and cover things up. We do it all up front and in public. That's the way freedom is, and we wouldn't change it for a minute. We'll continue our quest in space. There will be more shuttle flights and more shuttle crews and, yes, more volunteers, more civilians, more teachers in space. Nothing ends here; our hopes and our journeys continue. I want to add that I wish I could talk to every man and woman who works for NASA or who worked on this mission and tell them: "Your dedication and professionalism have moved and impressed us for decades. And we know of your anguish. We share it."

There's a coincidence today. On this day 390 years ago, the great explorer Sir Francis Drake died aboard ship off the coast of Panama. In his lifetime the great frontiers were the oceans, and an historian later said, "He lived by the sea, died on it, and was buried in it." Well, today we can say of the *Challenger* crew: Their dedication was, like Drake's, complete.

The crew of the space shuttle *Challenger* honored us by the manner in which they lived their lives. We will never forget them, nor the last time we saw them, this morning, as they prepared for their journey and waved goodbye and "slipped the surly bonds of earth" to "touch the face of God."

*Note: The President spoke at 5 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.*

## Proclamation 5434—Death of American Astronauts on Board Space Shuttle *Challenger*

*January 28, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

As a mark of respect to the memory of Francis R. Scobee, Michael J. Smith, Ellison S. Onizuka, Ronald E. McNair, Judith A. Resnik, Gregory B. Jarvis, and Sharon

Christa McAuliffe who gave their lives during the mission of the Space Shuttle *Challenger* on January 28, 1986, I hereby order, by the authority vested in me as President of the United States of America, that the flag of the United States shall be flown at half-staff upon all public buildings and grounds, at all military posts and naval

stations, and on all naval vessels of the Federal government in the District of Columbia and throughout the United States and its Territories and Possessions through Monday, February 3, 1986. I also direct that the flag shall be flown at half-staff for the same length of time at all United States embassies, legations, consular offices, and other facilities abroad, including all military facilities and naval vessels and stations.

*In Witness Whereof*, I have hereunto set

my hand this twenty-eighth day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:24 a.m., January 29, 1986]

## Remarks Announcing the Nomination of Richard E. Lyng To Be Secretary of Agriculture

January 29, 1986

*The President.* I am pleased to make an announcement today with regard to the Department of Agriculture—that our Secretary of Agriculture is going to be Dick Lyng, who, 19 years ago, came to work for me when I was Governor of California. He served as the director of agriculture there in the cabinet. He also has a background in the field of agriculture—a very sound one. And then, here, he has served as Deputy Secretary of Agriculture. And so, I have asked him to now serve as the Secretary of Agriculture, and he has agreed.

We have a farm problem. We think the new program that has been passed and the measures that are going to be taken in farm credit are going to help get farming back more into the market economy than it has been and rectifies some of the things that have been wrong with regard to government's imposition on agriculture. And I have every confidence that the farmers are

going to have a sound and solid friend in the Secretary of Agriculture, Dick Lyng.

Thank you for being here.

*Mr. Lyng.* My pleasure. Thank you.

*Q.* Mr. President, a lot of farmers thought you should have picked a working farmer for this job. Why didn't you?

*The President.* I picked one that's been a pretty hard-working farmer most of his life. Just because he isn't on a tractor right now doesn't mean he isn't a farmer.

*Q.* In the aftermath of yesterday's disaster, what are your feelings today, sir?

*The President.* They're still much as they were yesterday. I think all of us have kind of escaped the numbness of shock that we all felt, but life has to go on and so does the space program.

*Note: The President spoke to reporters at 10:20 a.m. in the Oval Office at the White House.*

## Nomination of Richard E. Lyng To Be Secretary of Agriculture

January 29, 1986

The President today announced his intention to nominate Richard E. Lyng as Secretary of the Department of Agriculture.

Since January 1985 Mr. Lyng has been a consultant with the firm of Lyng and

Leshner, Inc., in Washington, DC; and he served as Deputy Secretary of Agriculture in 1981–1985. Previously, he was a private consultant on food and agriculture matters (1979–1981); president of the American



Meat Institute (1973–1979); and an Assistant Secretary of Agriculture, responsible for marketing and consumer activities (1969–1973). Mr. Lyng served as director of the California State Department of Agriculture in 1967–1969. He also held directorships with the Chicago Mercantile Exchange (1975–1979), the Agribusiness Advisory

Board (1974–1981), the Commodity Credit Corporation (1969–1973), and the U.S. Department of Agriculture Graduate School (1970–1973).

Mr. Lyng graduated from the University of Notre Dame in 1940. He was born on June 29, 1918, in San Francisco, CA, is married, and has two children.

## **Nomination of James Albert Michener To Be a Member of the Board for International Broadcasting**

*January 29, 1986*

The President today announced his intention to nominate James Albert Michener to be a member of the Board for International Broadcasting for a term expiring April 28, 1987. This is a reappointment.

Mr. Michener is an educator and best-selling author. His books include "Tales of the South Pacific," 1947 (Pulitzer Prize); "The Bridges of Toko Ri," 1953; "Caravans," 1963; "The Source," 1965; "Centennial," 1974; "Chesapeake," 1978; "Space," and "Poland," 1983; among others. Mr. Michener started his career as a teacher at

the Hill School (1929–1931) and the George School, Pennsylvania (1933–1936). He was a professor at the Colorado State College of Education (1936–1941) and a visiting professor at Harvard University (1939–1940). He served as an associate editor at Macmillan Co. (publishing) from 1941 to 1949.

He graduated from Swarthmore College (A.B., 1929) and the University of Northern Colorado (A.M., 1937). Mr. Michener is married to the former Mari Yoriko Sabusawa. He was born in New York City on February 3, 1907, and currently resides in Austin, TX.

## **Designation of Two Members of the Board of Visitors of the United States Naval Academy**

*January 29, 1986*

The President today announced his intention to designate the following individuals to be members of the Board of Visitors to the United States Naval Academy for a term expiring December 30, 1988.

*George F. Will*, of Maryland, will be reappointed. He is an author and has been a syndicated columnist since 1974. Mr. Will is a regular member of the "Agronsky & Company" television panel and appears each Sunday morning on "This Week With David Brinkley." He has been a contributing editor of Newsweek since 1976 and received the Pulitzer Prize for commentary in 1977. From 1973 to 1975, Mr. Will was Washington editor of National Review magazine. From 1970 to 1972, he was on the

staff of Senator Gordon Allott of Colorado. He is married and has three children. He was born May 4, 1941, in Champaign, IL, and currently resides in Chevy Chase, MD.

*Frederick G. Hale, Sr.*, of Virginia, is chief financial officer and associate of Michael K. Deaver & Associates, a public relations firm in Washington, DC. Previously, he was treasurer and chief financial officer, the Committee for the 50th American Presidential Inaugural and assistant convention manager and chief financial officer, 1984 Republican National Convention. From 1978 to 1983, Mr. Hale was involved in various facets of oil and gas exploration in North America. Prior to this he served in the United States Navy, graduating from the United States Naval Academy (B.S., 1960) and

retiring from military service in 1978. He is married and has three children. He was born

January 15, 1936, in Gulfport, MS, and currently resides in Arlington, VA.

## **Nomination of Carlos Salman To Be a Member of the Board of Directors of the Overseas Private Investment Corporation**

*January 29, 1986*

The President today announced his intention to nominate Carlos Salman to be a member of the Board of Directors of the Overseas Private Investment Corporation, United States International Development Cooperation Agency, for a term expiring December 17, 1988. This is a reappointment.

Since 1972 Mr. Salman has been president of Carlos Salman Realty, a real estate brokerage and investment firm in Miami, FL. From 1960 to 1972, he was assistant

comptroller of Wometco Enterprises, Inc., in Miami, FL. From 1957 to 1960, he was assistant treasurer of Iberia Machinery Co. in Havana, Cuba, and in 1954-1957 he was assistant to the vice president in charge of sugar exportation of the Ward Garcia Line in Havana, Cuba.

Mr. Salman graduated from Villanova College, Havana, Cuba (B.A., 1951; M.B.A., 1952). He is married and has four children. He was born December 3, 1932, in Havana, Cuba, and currently resides in Miami, FL.

## **Appointment of Frances Seiberling Buchholzer as a Member of the National Advisory Council on Adult Education**

*January 29, 1986*

The President today announced his intention to appoint Frances Seiberling Buchholzer to be a member of the National Advisory Council on Adult Education for the remainder of the term expiring July 10, 1986. She would succeed Daniel E. Brennan, Sr., deceased.

Ms. Buchholzer is vice president and secretary, Mutual Mini Storage, Ltd., in Akron, OH. From 1974 to 1981, she was director of State government relations, the B.F. Goodrich Co. From 1970 to 1974, she was director of environmental affairs, the Ohio Pe-

troleum Council, Columbus, OH. Ms. Buchholzer was a teacher with the Iowa City Board of Education, 1966-1968; a teacher with the Anchorage Board of Education, 1961-1962; and a teacher, Columbus Board of Education, 1958-1961.

Ms. Buchholzer graduated from the University of Akron, Ohio (B.A., 1958) and the University of Iowa, Iowa City (M.A., geomorphology). She is married to Richard Barton, and they have one child. She was born May 8, 1934, in Cleveland, OH, and currently resides in Akron, OH.

## **Appointment of Robert E. Linhard as Special Assistant to the President for National Security Affairs**

*January 29, 1986*

The President today announced the appointment of Robert E. Linhard to be Special Assistant to the President for National Security Affairs. He will also serve on the National Security Council staff as Senior Director of Defense Programs and Arms Control. He will replace Ronald F. Lehman.

Colonel Linhard has been on the National Security Council staff since November 1981 as Director of Defense Programs, with primary staff responsibility for U.S. strategic and nonstrategic nuclear force policy and for the implementation of the President's Strategic Defense Initiative. On active duty

since 1969, Colonel Linhard's decorations include the Defense Superior Service Medal, the Meritorious Service Medal, the Air Force Commendation Medal, and the Combat Readiness Medal.

Colonel Linhard graduated from Fordham University (B.A., 1968; M.A., 1969). He also has degrees from the University of Oklahoma (M.P.A., 1973), University of Northern Colorado (M.B.A., 1975), and Georgetown University (M.A., 1979). He is married and has one child. Colonel Linhard resides in Springfield, VA, and was born February 2, 1947, in New York City.

## **Appointment of Ronald F. Lehman II as Deputy Assistant to the President for National Security Affairs**

*January 29, 1986*

The President today announced the appointment of Ronald F. Lehman II to be Deputy Assistant to the President for National Security Affairs (Defense Policy). This is a new position.

Dr. Lehman, currently Special Assistant to the President for National Security Affairs, has served on the National Security Council staff since May 1983 as Senior Director of Defense Programs and Arms Control. Since January 1985 he has also served as Deputy U.S. Negotiator for Strategic Nuclear Arms with the personal rank of Ambassador. Prior to joining the NSC staff, Dr. Lehman was Deputy Assistant Secretary of Defense for International Security Policy

and has served as a senior adviser to the U.N. Special Session on Disarmament and as a representative to the U.S.-U.S.S.R. bilateral discussions on nuclear proliferation. More recently, Dr. Lehman was a representative to the U.S.-Soviet talks on direct communication links. Dr. Lehman has also served as a member of the professional staff of the Senate Armed Services Committee.

Dr. Lehman graduated from Claremont Men's College in California (1968) and received his Ph.D. in government from the Claremont Graduate School (1975). Dr. Lehman currently resides with his wife in Arlington, VA. He was born March 25, 1946, in California.

## **Appointment of Peter W. Rodman as Deputy Assistant to the President for National Security Affairs**

*January 29, 1986*

The President today announced the appointment of Peter W. Rodman to be Deputy Assistant to the President for National Security Affairs (Foreign Policy). This is a new position.

Mr. Rodman has been Director of the Policy Planning Staff of the Department of State since April 1984. Prior to that he was a member of the State Department Policy Planning Council, dealing with Middle East affairs. From January 1977 to March 1983, he was with the Center for Strategic and

International Studies, Georgetown University. From August 1969 to January 1977, he was on the National Security Council staff and Special Assistant to the Assistant to the President for National Security Affairs.

Mr. Rodman graduated from Harvard College (B.A., 1964) and Oxford University (B.A., M.A., 1966). He also attended Harvard Law School (J.D., 1969). He is married, has one child, and resides in Washington, DC. He was born on November 24, 1943, in Boston, MA.

## **Appointment of Rodney B. McDaniel as Executive Secretary of the National Security Council**

*January 29, 1986*

The President today announced the appointment of Rodney B. McDaniel to be Executive Secretary of the National Security Council. He will replace William F. Martin.

Mr. McDaniel, currently Special Assistant to the President for National Security Affairs, has served on the National Security Council staff since March 1985 as the Senior Director of the Crisis Management Center. He will continue to hold the title of Special Assistant to the President for National Security Affairs in his new position. Before joining the NSC staff, Mr. McDaniel was a captain with the United States Navy, last assigned to the Office of the Vice Chief

of Naval Operations at the Pentagon. His navy career included service as a surface warfare officer in destroyers and tours with the Office of the Secretary of Defense, Central Intelligence Agency, and the Navy Department. During his career he commanded the guided-missile destroyer U.S.S. *William V. Pratt* and the cruiser U.S.S. *Oklahoma City* and was chief of staff for Commander Seventh Fleet.

Mr. McDaniel graduated from Stanford University (B.A., 1956) and George Washington University (M.B.A., 1962). He is single and resides in Arlington, VA. Mr. McDaniel was born on April 4, 1934, in San Diego, CA.

## **Proclamation 5435—American Heart Month, 1986**

*January 29, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Cardiovascular diseases, which include

heart disease, stroke, and other vascular disorders, account for almost as many deaths in this Nation as all other causes combined. In fact, almost one out of every two deaths can be attributed to cardiovascular disease.

As recently as 1983, heart and blood vessel diseases killed nearly one million Americans—more people than cancer, accidents, pneumonia, and influenza combined. Even more tragic is the fact that one-fifth of all people killed by cardiovascular diseases are younger than 65.

Heart and blood vessel diseases are not only deadly—they are pervasive. More than one-fourth of the current U.S. population, or more than 63 million of our citizens, suffer from some form of these diseases. Their toll in human suffering can never be calculated.

The economic loss to the Nation is also high. Some \$78.6 billion will be spent in 1986 for physician and nursing services, hospital and nursing home care, medications, and in lost productivity due to disability related to these maladies.

But progress is being made. The American Heart Association, a not-for-profit volunteer health agency, and the Federal government, through the National Heart, Lung and Blood Institute, have combined forces since 1948 to find better ways both to treat and prevent cardiovascular diseases and to educate the medical community about the most effective techniques.

Because of important advances made by medical science in recent years, premature death and disability have declined. From 1973 to 1983 the death rate from cardiovascular diseases dropped 29 percent.

Doctors are seeking to reduce the risk of heart disease, stroke, and atherosclerosis (hardening of the arteries) in their patients by encouraging them to lower their blood pressure, stop smoking, and reduce the amount of cholesterol and saturated fats in

their diets. The American Heart Association has contributed to this effort by its continued support of research and its commitment to educating Americans about the need to adopt healthful habits of living.

The Federal government, meanwhile, continues to support a large array of cardiovascular research projects. It also encourages all Americans to take responsibility for their own well-being by maintaining good health habits.

Recognizing that Americans everywhere have a role to play in this continuing battle against a major killer, the Congress, by Joint Resolution approved December 30, 1963 (77 Stat. 843; 36 U.S.C. 169b), has requested the President to issue annually a proclamation designating February as American Heart Month.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim the month of February 1986 as American Heart Month. I invite the Governors of the States, the Commonwealth of Puerto Rico, the officials of other areas subject to the jurisdiction of the United States, and the American people to join me in reaffirming our commitment to the resolution of the nationwide problem of cardiovascular diseases.

*In Witness Whereof*, I have hereunto set my hand this twenty-ninth day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:18 p.m., January 29, 1986]*

## Proclamation 5436—Sesquicentennial Year of the National Library of Medicine, 1986

January 29, 1986

*By the President of the United States  
of America*

### *A Proclamation*

One hundred fifty years ago, in 1836, what is now the largest and most distinguished medical library and medical communications center in the world was only a small collection of medical books in the office of the United States Army Surgeon General. That transition is an inspiring story—one that speaks of both the need of health professionals and researchers for rapid access to information and of the response to that need by a succession of dedicated and visionary leaders of the National Library of Medicine.

The National Library of Medicine responded to the need for medical information in part by building an exhaustive collection of the published literature of medicine. Through pioneering research into the latest communications technology, the Library also developed the renowned MEDLARS systems, which provides researchers and health professionals around the world with almost instantaneous access to the biomedical literature. Its publications, like *Index Medicus*, are essential tools for health sciences research. The Library has developed a network throughout the United States—the Regional Medical Library Network—to provide efficient information services to doctors, researchers, students and

others, no matter how far they may be from a medical center.

American citizens, for whom the health of their loved ones is always of primary concern, can take great pride in their National Library of Medicine, which takes life-giving knowledge from research, organizes it, and transmits it to those who can best use it to fight disease and disability and to improve the quality of life for all of us.

The Congress, by Senate Joint Resolution 198, has designated 1986 as the “Sesquicentennial Year of the National Library of Medicine” and has authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim 1986 as the Sesquicentennial Year of the National Library of Medicine. I call upon the people of the United States to observe this occasion with appropriate ceremonies and activities.

*In Witness Whereof*, I have hereunto set my hand this twenty-ninth day of January, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:19 p.m., January 29, 1986]*

## Statement on the Presidential Election in the Philippines

January 30, 1986

A special election for President and Vice President will take place in the Philippines on February 7. This election is of great importance to the future of democracy in the Philippines, a major friend and ally of the United States in the Pacific. It comes at a time when the Philippines is struggling

with the urgent need to reestablish a political consensus, restructure the economy, and rebuild a sense of military professionalism.

President Marcos has invited the United States to send observers to the election. Because of our respect for the Philippines and our commitment to the sovereign will of a

democratic people as expressed through the electoral process, I have decided to send a delegation of official U.S. observers to the Philippines for the election. I would like the delegation to be composed of Members of the Congress from both parties and of distinguished Americans from the private sector. I also note that the party institutes of both the Republican and Democratic Parties have jointly decided to sponsor an international observer delegation for the election in the Philippines. I am confident that both of these efforts will make a significant contribution to this important event.

The United States left a legacy of democratic institutions in the Philippines earlier in this century. Filipinos believe in elections, as long as they are fair, to resolve their political differences. To safeguard the process, the National Citizens' Movement for Free Elections, or NAMFREL as it is called, will field hundreds of thousands of citizen election observers on February 7. Such citizen participation makes Americans proud to have the Republic of the Philippines as a friend and ally.

A free and fair election, if also followed by a genuine reform effort in the economic and security areas, will assist the Philippines along a path of growth, prosperity, and sta-

bility that will benefit the entire region. The Communist Party of the Philippines, through its military arm, the New People's Army, and its front organization, the National Democratic Front, is pursuing a classic military and political strategy intended to lead eventually to a totalitarian takeover of the Philippines. The Communist strategy can be defeated, but defeating it will require listening to and respecting the sovereign voice of the people.

I believe this is an important time for America to respond to the problems of a friend and ally at a critical juncture in its history. If the will of the Filipino people is expressed in an election that Filipinos accept as credible, and if whoever is elected undertakes fundamental economic, political, and military reforms, we should consider, in consultation with the Congress, a significantly larger program of economic and military assistance for the Philippines for the next 5 years. This would be over and above the current levels of assistance we are providing.

*Note: Larry M. Speakes, Principal Deputy Press Secretary to the President, read the President's statement to reporters at 10:10 a.m. in the Briefing Room at the White House.*

## **Appointment of Eugene J. McAllister as Special Assistant to the President and Executive Secretary of the Economic Policy Council** *January 30, 1986*

The President today announced the appointment of Eugene J. McAllister as Special Assistant to the President and Executive Secretary of the Economic Policy Council.

Mr. McAllister has served as Executive Secretary of the Economic Policy Council since August 1985. Previously he was Deputy Assistant Director for Economic Affairs in the Office of Policy Development. From 1981 to April 1983, Mr. McAllister

was a senior policy analyst with the Office of Management and Budget. Before joining the administration, he was the Walker fellow in economics at the Heritage Foundation.

Mr. McAllister graduated from Loyola University of Los Angeles (B.A., 1974) and the University of California, Davis (M.A., 1976). He is married and resides in Fairfax, VA. He was born May 20, 1952, in the Bronx, NY.

## Remarks at the Annual Dinner of the Conservative Political Action Conference

January 30, 1986

Thank you very much, and may I say that every bit of show business instinct that is within me says that perhaps it would be better if the entertainment followed the speaker. *[Laughter]* You are a tough act to follow. *[Laughter]*

But let me begin by saying how appropriate it is that we honor tonight the Shuttle Seven; all of them were heroes. Each of us is in their debt. And we know now that God holds them close, and we pray He'll comfort their grieving loved ones. And we're aware, too, of our own duty to them and to their memory. We must continue. Other brave Americans must go now where they so valiantly tried to lead—a fitting place, I've always thought, for Americans: "the stars and beyond."

And in some closed societies, a tragedy of this sort would be permanently disheartening, a fatal setback to any such program, followed not by mourning and national recommitment, but by attempts to evade responsibility. Well, not so in a democracy, and not so in America. John Glenn said the other day that after the pad fire that killed three astronauts in 1967, support for the space program skyrocketed among the American people. And that's because here the Government does not rule the people; it is the people. And ultimately what happens to programs of this sort, and what follows tragedies of this kind, are decisions that belong not to government but to the people. The tragedy of the Shuttle Seven will only serve to strengthen the resolve of America to pursue their dream of "the stars and beyond." And anyone who doubts this does not know the history of our land, the wonder of America and her free people, or the meaning of the words "the right stuff." You know, I called the families yesterday of those seven heroes. Every one of them concluded the remarks between us by saying, "The program must continue; they would have wanted it that way." And it will.

Well, I'm delighted to be here tonight. And I want to extend my heartfelt thanks

to the American Conservative Union, along with Human Events, National Review, and Young Americans for Freedom, for putting on this conference and for extending this invitation. Tonight my thoughts cannot help but drift back to another conservative audience of more than 20 years ago and a Presidential campaign that the pundits and opinionmakers said then was the death knell for our movement. But just as the opinion leaders had been stunned by Barry Goldwater's nomination, so too they would be shocked by the resiliency of his cause and the political drama to unfold around it: the rise of the New Right and the religious revival of the midseventies and the final, triumphant march to Washington in 1980 by conservatives.

And you know, that last event really did come as a shock of seismic proportions to this city. I can remember reading about a poll that was taken at a Washington National Press Club luncheon in January of 1980 on the eve of the primary season. Those in attendance were asked who would be the next President of the United States. Well, Jimmy Carter got a large number of votes, and so did Teddy Kennedy. But there was one candidate on the Republican side who got so few votes from the wise men of Washington that it wasn't even reported in the lineup. *[Laughter]* I think it had to do with his conservative leanings. *[Laughter]* Well, I hope they know I'm not about to change. But while official Washington always underestimated our cause, some of the shrewder journalists did over the years sense something astir in America. Theodore White said openly, just after Barry Goldwater's campaign: "Some see this as a last adventure in the politics of nostalgia. Others see this Arizonan as a symbol, cast up by the first crest of an early tide, thrown back this once, but bound to come again in greater strength."

And you know, to be here tonight and to be a part of this historic conference, your biggest attention-getter, to look at your pro-



gram for the next 2 days and all the important people and discussions, to stand here now with the Presidential seal on this podium, to feel the energy, the almost festive air of this audience, I think you've provided an answer to Teddy White's implicit question about the fate of our movement, the state of our cause. Fellow conservatives, it took us more than 20 years, but who can deny it? We're rockin' and rollin'. Now, I know a few liberal observers will try to downplay all this. But don't you think they're going to sound a little bit like Yogi Berra on that famous occasion when he said of a restaurant, "It's so crowded, nobody goes there anymore"? [Laughter] And as for those liberals who finally are catching on to the idea that there is a conservative movement, they kind of remind me of a cowboy who was out hiking in the desert one day and came across the Grand Canyon. And he said, "Wow, something sure happened here!" [Laughter]

Well, something has happened in America. In 5 short years, we have seen the kind of political change rarely seen in a generation on nearly every issue: Federal spending, tax cuts, deregulation, the fight against career criminals and for tough judges, military readiness, resistance to Soviet expansionism, and the need for candor about the struggle between freedom and totalitarianism. The old taboos and superstitions of liberalism have collapsed and all but blown away, to be replaced by a robust and enlightened conservatism, a conservatism that brings with it economic prosperity, personal opportunity, and a shining hope that someday all the peoples of the world—from Afghanistan to Nicaragua to Poland and, yes, to Angola—will know the blessings of liberty and live in the light of freedom.

Those in this room know how often we were told the odds of accomplishing even a small part of this were all against us. I remember my own first visit up to the Hill after the 1980 election, when issues like the tax cuts came up. I met a Congressman [Thomas P. O'Neill, Jr.] there. He was a kind of a big fellow, as I recall—[laughter]—had lots of white hair. [Laughter] He was from the Boston area, I think. [Laughter] Maybe you know him. He smiled very indulgently and told me not to expect too

much because I was, to use his words, "in the big leagues now." [Laughter] But you know, as a conservative, I had an advantage. Back in the hard years, the lean years, when we were forming our political PAC's, sending out our fundraising letters, and working for candidate after candidate in campaign after campaign, all of us learned something vital, something important about our country. Something became an article of faith, a faith that sustained us through all the setbacks and the heartache.

You see, we knew then what we know now: that the real big leaguers aren't here in Washington at all; they're out there in the heartland, out in the real America, where folks go to work every day and church every week, where they raise their families and help their neighbors, where they build America and increase her bounty and pass on to each succeeding generation her goodness and splendor. And we knew something else, too: that the folks out there in real America pretty much see things our way and that all we ever have to do to get them involved is be brave enough to trust them with the truth and bold enough to ask for their help. And it's here we find the explanation for the success of the last 5 years, the reason why on issue after issue the liberals in this town have lost and are still losing: They've forgotten who's in charge, who the big leaguers really are.

It reminds me of a favorite little story of mine about a career naval officer who finally got his four stripes, became a captain, and then was given command of a giant battleship. And one night he was out steaming around the Atlantic when he was called from his quarters to the bridge and told about a signal light in the distance. And the captain told the signalman, "Signal them to bear to starboard." And back came the signal from ahead asking—or saying, "You bear to starboard." Well, as I say, the captain was very aware that he was commander of a battleship, the biggest thing afloat, the pride of the fleet; and he said, "Signal that light again to bear to starboard now." And once again, back came the answer, "Bear to starboard yourself." Well, the captain decided to give his unknown counterpart a lesson in seagoing humility; so he

said, "Signal them again and tell them to bear to starboard. I am a battleship." And back came the signal, "Bear to starboard yourself. I'm a lighthouse." [Laughter]

Well, the American people have turned out to be just what the forefathers thought they would be when they made them the final arbiter of political power: a lighthouse to the ship of state, a source of good judgment and common sense signaling a course to starboard. But you who are not nautical-minded know that starboard is to the right, don't you? [Laughter]

But I come here tonight not just to celebrate these successes of our past but also to strike a serious, even somber, note to remind each of you not only of how far we have come together but how tragic it would be if we suddenly cast aside in a moment of dreadful folly all our hopes for a safe America and a freer world. My fellow conservatives, I want to speak to you tonight about our movement and a great danger that lies ahead. Now, some of you may think I'm reacting here to claims that 1985 was a disappointing or, at best, a mediocre year for conservatives. In fact, I want to take sharp issue with this, suggest to you that those claims themselves are evidence of the broader problem I'm talking about: the danger of growing soft with victory, of losing perspective when things go our way too often, of failing to appreciate success when it occurs or seeing danger when it looms.

First, let's talk about 1985 and three legislative victories whose strategic significance were both enormous and largely overlooked. Now, some of you who go back with me to that campaign in 1964 can remember how easily the liberals dismissed our warnings then about the dangers of deficit spending. We were told it would bring prosperity. Others of you know how passionately the liberals believed in the use of high and punitive tax rates to redistribute income. And finally, all of us can remember how liberals found in the post-Vietnam syndrome a form of religious exercise, a kind of spiritual ecstasy, however much that syndrome paralyzed American foreign policy and jeopardized freedom.

Now, let me ask you: If someone had come up to you even as late as a few years

ago and told you that by 1985 all of these cherished doctrines—a belief in deficit spending, the politics of envy via high tax rates, and the refusal to help those resisting Communist dictatorship—would be formally and publicly rejected in a single 12-month period by the liberal Democrats themselves, wouldn't you have thought that person prone to acute shortages of oxygen in the cerebral hemispheres? [Laughter] That's kind of bureaucratese for meaning playing without a full deck. [Laughter]

But consider 1985. We saw a de facto balanced budget amendment passed by both Houses of the Congress. We saw a House of Representatives under liberal leadership agree to cut the top marginal tax rate to the 35- to 38-percent range. And we even saw that same House not only approve funds for an insurgency against a Communist government but spontaneously repeal that symbol of liberal isolationism, the Clark amendment. So, friends and neighbors, salute Halley's comet. Salute that space shot to "U-ra-nus"—I'm too old-fashioned to call it "Ur-a-nus." [Laughter] I just remember politics in 1985 was also a celestial phenomenon, Steven Spielberg all the way. Actually, the remarkable year of 1985 at home was a reflection of a broader, even brighter strategic picture. In Europe and Asia, statism and socialism are dying and the free market is growing; and all across the world, the march of democracy continues.

Yet, even as I think the tide of history is all but irreversibly turned our way and this strategic picture will continue to improve, we must guard at all costs against an unnecessary but costly tactical defeat ahead. I'm talking, of course, about the election in November. Now, this isn't going to happen as long as we conservatives will shoulder the burden of our recent successes, if we'll realize how much is at stake this November, forget for the moment the flowers and the sunshine, and summon once again those deep reserves of will and stamina that won for us our first victories. And bear in mind, this will require a supreme effort; our job is going to be even tougher this year. The very years of prosperity and peace that conservative programs have given America may in a strange way actually help those

who fought the hardest against them. Good times, after all, tend to favor incumbents and fortify the status quo. Yet you and I know how unacceptable that status quo is, how much—on everything from right to life, prayer in the public schools, enterprise zones, aid to anti-Communist insurgents—still waits to be done. So, we must go to the record, get the facts to the American people.

The Speaker of the House has already indicated a tax increase is the solution to our problems, and recently another important member of the House leadership echoed his sentiments. Not much has changed on Federal spending, either. Sure, the liberals are angry about Gramm-Rudman, but they aren't looking realistically at our bloated expenditures, only talking nonsense about shutting down the FBI and the IRS—though I do admit that in mentioning that last point they may be tempting me beyond my strength. And as for defense, let me assure you the liberals haven't changed a bit; they're still looking at America's defense budget with lust in their hearts. [*Laughter*] A lust to strip it bare and use the funds for more of their social experiments.

Yes, this year we have to work even harder at summoning the vigor to tell the American people the truth and the vigor to ask their help, to remind them that what they do this November will decide whether the days of high taxes and higher spending, the days of economic stagnation and skyrocketing inflation, the days of national malaise and international humiliation, the days of "Blame America First" and "inordinate fear of communism," will all come roaring back at us once again. More than that, we must tell the American people that the progress that we've made thus far is not enough, that it'll never be enough until the conservative agenda is enacted—and that means enterprise zones, prayer in the public schools, and protection of the unborn.

And that's why, my fellow conservatives, we have to stop limiting ourselves to talking about holding on to our strength in the Senate and start talking about conservative control of the House of Representatives. That House has been in the hands of our

opponents for virtually half a century. Never forget that for those nearly 50 years the liberals had it all their own way in this city and that the loss of such great power is rarely accompanied with graceful acquiescence. Well, the liberals are feeling pretty sorry for themselves, and that's why they're anxious about this election. They know that unless they deliver a telling blow this year to conservatism, the 1988 Conservative Political Action Conference will see major Presidential candidates from both parties demanding a chance to appear here and claim the mantle of conservatism.

So this is our break point; our opponents are pulling out all the stops. And you know, I think it's going to be worthwhile reminding the American people of how desperate the liberals are, how so much of their strength in the House of Representatives, as many as 18 to 23 seats, is due to gerrymandering on a scale unprecedented in modern history. And this is not to mention the outrageous episode in which a legitimately elected Member of the Congress and the people of Indiana's eighth district were disenfranchised in the House of Representatives.

But there's another issue that I also believe vividly illustrates how seriously out of touch the liberals are with the American people. We sometimes forget that no one is more realistic about the nature of the threat to our freedom than the American people themselves. In fact, their intuitive realism is why that bear in the woods ad some of you can remember from the 1984 campaign was so successful. Yes, the American people want an administration that pursues every path to peace, but they also want an administration that is realistic about Soviet expansionism, committed to resisting it, and determined to advance the cause of freedom around the world.

Now, we know that happens when an administration that has illusions about the Soviets takes over. First, there are the illusions, then the surprise and anger when the Soviets do something like invading Afghanistan. Any way you look at it, it heightened tension and the prospects for conflict. In fact, the liberal conduct of foreign policy reminds me of a little football game that

was played at Notre Dame back in 1946, when Notre Dame player Bob Livingstone missed a tackle. And his teammate, all-American Johnny Lujack, screamed, "Livingstone, you so-and-so you," and he went on and on. And then, Coach Frank Leahy said, "Another sacrilege like that, Jonathan Lujack, and you'll be disassociated from our fine Catholic university." Well, in the very next play, Livingstone missed another tackle, and Coach Leahy turned to the bench and said, "Lads, Jonathan Lujack was right about Robert Livingstone." [Laughter] And that's why it's important to go to the record.

I remember a little booklet that came out a few years back. Although it was by the Republican Study Committee and entitled "What's the Matter with Democratic Foreign Policy," it was really about a shrinking group of foreign policy liberals here in Washington. And I just think that if we were able to get some of those choice quotations on issues like Vietnam, Grenada, and Central America before the American people and they were able to see what the Washington liberals really believe about foreign policy, the naivete and confusion of mind, I believe we would shock the American people into repudiating these views once and for all.

And let me interject here two points that I think can be important this year. First, the question of defense spending. During the last few weeks, there've been a number of columns, editorials, or speeches calling for a slash in the military budget and quoting President Eisenhower as justification. President Eisenhower did warn about large concentrations of power like the military-industrial complex, but what's being left out is the context of that quote. In his farewell address to the American people, yes, he did warn us about the danger of an all-powerful military-industrial complex, but he also reminded us America must always be vigilant because "We face a hostile ideology—global in scope, atheistic in character, ruthless in purpose, and insidious in method." The pundits haven't been quoting that part of his speech.

I know there's been a great deal of talk in the media recently about the situation in Southwest Africa and especially Angola.

And I know also you'll be having a special guest here tomorrow evening, as I did this morning in the Oval Office. Well, let me just say now it would be inappropriate for me as President to get too specific tonight. But I do want to make a comment here on some recent history and let you draw your own conclusions. Last September, at the Lomba River in southern Angola, when a force of—I always called it "un-i-ta"<sup>1</sup>, but recently I hear it's being called "un-e-ta"; maybe he'll tell you tomorrow which way it is—but anyway, this force of "un-i-ta" or "un-e-ta" rebels met an overwhelmingly superior force of government troops directly supported by the Soviet bloc, the UNITA forces defeated the government troops and drove them and their Communist allies from the field.

In the history of revolutionary struggles or movements for true national liberation, there is often a victory like this that electrifies the world and brings great sympathy and assistance from other nations to those struggling for freedom. Past American Presidents, past American Congresses, and always, of course, the American people have offered help to others fighting in the freedom cause that we began. So, tonight, each of us joins in saluting the heroes of the Lomba River and their leader, the hope of Angola, Jonas Savimbi.

So, you see, like the Panama Canal in 1976, foreign policy issues like defense spending and aid to the freedom fighters may prove the sleeper issues of the year.

So, let me urge you all to return to your organizations and communities and to tell your volunteers and your contributors that the President said that they're needed now as never before, that the crucial hour is approaching, that the choice before the American people this year is of overwhelming importance: whether to hand the government back to the liberals or move forward with the conservative agenda into the 1990's.

My fellow conservatives, let's get the message out loud and clear. The Washing-

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<sup>1</sup> *The President was referring to the National Union for the Total Independence of Angola (UNITA).*

ton liberals and the San Francisco Democrats aren't extinct; they're just in hiding, waiting for another try. Well, let's make it clear to the American people that they must choose this year between those who are enemies of big government and the friends of the freedom fighters and, on the other hand, those who are advocates of Federal power and a foreign policy of illusion. So, let the choice be clear. Will it be "Blame America First," or will it be "On to Democracy" and "Forward for Freedom"? And freedom is the issue. The stakes are that high.

You know, recently Nancy and I saw together a moving new film, the story of "Eleni." It's a true story. A woman at the end of World War II, caught in the Greek civil war, a mother who, because she smuggled her children out to safety, eventually to America, was tried, tortured, and shot by the Greek Communists. It is also the story of her son, Nicholas Gage, who grew up to become an investigative reporter with the New York Times and who, when he returned to Greece, secretly vowed to take vengeance on the man who had sent his mother to her death. But at the dramatic end of the story, Nick Gage finds he cannot extract the vengeance he has promised himself. To do so, Mr. Gage writes, would have relieved the pain that had filled him for so many years, but it would also have broken the one bridge still connecting him to his mother and the part of him most like her. As he tells it: "... her final cry, before the bullets of the firing squad tore into her, was not a curse on her killers but an invoca-

tion of what she died for, a declaration"—how that cry was echoed across the centuries, her cry was a cry of love—"My children!" A cry for all the children of the world, a hope that all of them may someday live in peace and freedom.

And how many times have I heard it in the Oval Office while trying to comfort those who have lost a son in the service of our nation and the cause of freedom. "He didn't want to die," the wife of Major [Arthur D.] Nicholson said at Fort Belvoir last year about her husband, "and we didn't want to lose him, but he would gladly lay down his life again for America." So, we owe something to them, you and I. To those who've gone before—Major Nicholson, Eleni, the heroes at the Lomba River—and to the living as well—Andrei Sakharov, Lech Walesa, Adolfo Calero, Jonas Savimbi—their hopes reside in us, as ours do in them.

Some 20 years ago I told my fellow conservatives that "You and I have a rendezvous with destiny." And tonight that rendezvous is upon us. Our destiny is now. Our cause is still, as it was then, the cause of human freedom. Let us be proud that we serve together, and brave in our resolve to push on now toward that final victory so long sought by the heroes of our past and present and now so near at hand.

Thank you. God bless you.

*Note: The President spoke at 9:27 p.m. in the International Ballroom at the Washington Hilton Hotel. In his opening remarks, he referred to Yakov Smirnoff, a comedian who had emigrated from the Soviet Union.*

## Remarks at the Memorial Service for the Crew of the Space Shuttle *Challenger* in Houston, Texas

*January 31, 1986*

We come together today to mourn the loss of seven brave Americans, to share the grief that we all feel, and, perhaps in that sharing, to find the strength to bear our sorrow and the courage to look for the seeds of hope. Our nation's loss is first a

profound personal loss to the family and the friends and the loved ones of our shuttle astronauts. To those they left behind—the mothers, the fathers, the husbands and wives, brothers and sisters, yes, and especially the children—all of America stands

beside you in your time of sorrow.

What we say today is only an inadequate expression of what we carry in our hearts. Words pale in the shadow of grief; they seem insufficient even to measure the brave sacrifice of those you loved and we so admired. Their truest testimony will not be in the words we speak, but in the way they led their lives and in the way they lost their lives—with dedication, honor, and an unquenchable desire to explore this mysterious and beautiful universe.

The best we can do is remember our seven astronauts, our *Challenger* Seven, remember them as they lived, bringing life and love and joy to those who knew them and pride to a nation. They came from all parts of this great country—from South Carolina to Washington State; Ohio to Mohawk, New York; Hawaii to North Carolina to Concord, New Hampshire. They were so different; yet in their mission, their quest, they held so much in common.

We remember Dick Scobee, the commander who spoke the last words we heard from the space shuttle *Challenger*. He served as a fighter pilot in Vietnam earning many medals for bravery and later as a test pilot of advanced aircraft before joining the space program. Danger was a familiar companion to Commander Scobee.

We remember Michael Smith, who earned enough medals as a combat pilot to cover his chest, including the Navy Distinguished Flying Cross, three Air Medals, and the Vietnamese Cross of Gallantry with Silver Star in gratitude from a nation he fought to keep free.

We remember Judith Resnik, known as J.R. to her friends, always smiling, always eager to make a contribution, finding beauty in the music she played on her piano in her off-hours.

We remember Ellison Onizuka, who as a child running barefoot through the coffee fields and macadamia groves of Hawaii dreamed of someday traveling to the Moon. Being an Eagle Scout, he said, had helped him soar to the impressive achievements of his career.

We remember Ronald McNair, who said that he learned perseverance in the cotton fields of South Carolina. His dream was to live aboard the space station, performing

experiments and playing his saxophone in the weightlessness of space. Well, Ron, we will miss your saxophone; and we *will* build your space station.

We remember Gregory Jarvis. On that ill-fated flight he was carrying with him a flag of his university in Buffalo, New York—a small token, he said, to the people who unlocked his future.

We remember Christa McAuliffe, who captured the imagination of the entire Nation; inspiring us with her pluck, her restless spirit of discovery; a teacher, not just to her students but to an entire people, instilling us all with the excitement of this journey we ride into the future.

We will always remember them, these skilled professionals, scientists, and adventurers, these artists and teachers and family men and women; and we will cherish each of their stories, stories of triumph and bravery, stories of true American heroes. On the day of the disaster, our nation held a vigil by our television sets. In one cruel moment our exhilaration turned to horror; we waited and watched and tried to make sense of what we had seen. That night I listened to a call-in program on the radio; people of every age spoke of their sadness and the pride they felt in our astronauts.

Across America we are reaching out, holding hands, and finding comfort in one another. The sacrifice of your loved ones has stirred the soul of our nation and through the pain our hearts have been opened to a profound truth: The future is not free; the story of all human progress is one of a struggle against all odds. We learned again that this America, which Abraham Lincoln called the last, best hope of man on Earth, was built on heroism and noble sacrifice. It was built by men and women like our seven star voyagers, who answered a call beyond duty, who gave more than was expected or required, and who gave it little thought to worldly reward.

We think back to the pioneers of an earlier century, the sturdy souls who took their families and their belongings and set out into the frontier of the American West. Often they met with terrible hardship. Along the Oregon Trail, you could still see

the grave markers of those who fell on the way, but grief only steeled them to the journey ahead. Today the frontier is space and the boundaries of human knowledge. Sometimes when we reach for the stars, we fall short. But we must pick ourselves up again and press on despite the pain. Our nation is indeed fortunate that we can still draw on immense reservoirs of courage, character, and fortitude; that we're still blessed with heroes like those of the space shuttle *Challenger*.

Dick Scobee knew that every launching of a space shuttle is a technological miracle. And he said, "If something ever does go wrong, I hope that doesn't mean the end to the space shuttle program." Every family member I talked to asked specifically that we continue the program, that that is what their departed loved one would want above all else. We will not disappoint them. Today we promise Dick Scobee and his crew that their dream lives on, that the future they worked so hard to build will become reality. The dedicated men and women of NASA have lost seven members of their family. Still, they, too, must forge ahead with a space program that is effective, safe, and efficient, but bold and committed. Man will continue his conquest of space. To reach

out for new goals and ever greater achievements—that is the way we shall commemorate our seven *Challenger* heroes.

Dick, Mike, Judy, El, Ron, Greg, and Christa—your families and your country mourn your passing. We bid you goodbye; we will never forget you. For those who knew you well and loved you, the pain will be deep and enduring. A nation, too, will long feel the loss of her seven sons and daughters, her seven good friends. We can find consolation only in faith, for we know in our hearts that you who flew so high and so proud now make your home beyond the stars, safe in God's promise of eternal life.

May God bless you all and give you comfort in this difficult time.

*Note: The President spoke at 11:53 a.m. on the mall in front of the Avionics Building at the Johnson Space Center. Prior to the memorial service, he met with the families of Francis R. Scobee, Michael J. Smith, Ellison S. Onizuka, Ronald E. McNair, Gregory B. Jarvis, and Sharon Christa McAuliffe. Judith A. Resnik's family attended a memorial service in Akron, OH. Following his remarks, the President spoke briefly with individual family members of the "Challenger" crew. He then went to Camp David, MD, for the weekend.*

## Proclamation 5437—Suspending Most-Favored-Nation Status for Afghanistan

January 31, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Pursuant to sections 118(a)(1) and 552(a)(1) of Public Law 99-190, I have determined that it is appropriate to deny nondiscriminatory (most-favored-nation) trade treatment to the products of Afghanistan and thereby to cause such products to be subject to the rate of duty set forth in column number 2 of the Tariff Schedules of the United States.

*Now, Therefore, I, Ronald Reagan, Presi-*

dent of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States of America, including but not limited to sections 118(a)(1) and 552(a)(1) of Public Law 99-190, and section 604 of the Trade Act of 1974, do proclaim that:

1. General headnote 3(d) to the Tariff Schedules of the United States (TSUS), listing those countries whose products are subject to the rate of duty set forth in column number 2 of the TSUS, is amended to include Afghanistan.

2. This proclamation shall be effective

with respect to articles entered, or withdrawn from warehouse for consumption, on and after the 14th day following the date of publication of this proclamation in the *Federal Register*.

*In Witness Whereof*, I have hereunto set my hand this thirty-first day of January in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the

United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:54 a.m., February 3, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on February 1.*

## Letter to the Speaker of the House and the Chairman of the Senate Foreign Relations Committee Transmitting a Report on Compliance With Arms Control Agreements

*January 31, 1986*

*Dear Mr. Speaker: (Dear Mr. Chairman:)*

I am pleased to transmit this report on the adherence of the United States to obligations undertaken in arms control agreements and on problems related to compliance by other nations with the provisions of bilateral and multilateral arms control agreements to which the United States is a party.

This report meets the requirements of Section 52 of the Arms Control and Disarmament Act, as amended in the FY 1986 ACDA Authorization Bill. It was prepared by the Director of the U.S. Arms Control and Disarmament Agency in coordination with the Secretary of State, the Secretary of Defense, the Secretary of Energy, the Chairman of the Joint Chiefs of Staff, and the Director of Central Intelligence.

In previous reports to the Congress, the United States has made clear its concerns about Soviet noncompliance. The United

States Government takes equally seriously its own commitments to arms control agreements and sets rigid standards and procedures for assuring that it meets its obligations. The United States has been and remains in compliance with all treaty obligations and political commitments.

This report is unclassified and suitable for general release. However, a classified attachment, providing information on non-compliance by other nations with provisions of multilateral arms control agreements, is being provided under separate cover.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Richard G. Lugar, chairman of the Senate Foreign Relations Committee. The letter was released by the Office of the Press Secretary on February 1.*

## Message to the Congress Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

*January 31, 1986*

*To the Congress of the United States:*

In my letter of transmittal attached to the 1984 United States Arms Control and Disarmament Agency Annual Report, I re-

marked that I viewed with great seriousness the negotiating commitments of January 1985 as an opportunity to reduce significantly the inventories of offensive nuclear



weapons systems. Much has happened during the past twelve months to encourage me in that view. Not only have our arms control delegations continued their efforts to reach agreements with their Soviet counterparts, but I have had an opportunity to discuss with Soviet General Secretary Gorbachev many of the issues that divide our two countries. We agreed to expedite the negotiations on reducing the numbers of nuclear offensive weapons and to continue our discussions on the issue of strategic defense as well as on many other important bilateral issues. Furthermore, the Soviet leader and I agreed to future meetings, which might give further impetus to the arms control process.

This 1985 annual report, the United States Arms Control and Disarmament

Agency's 25th consecutive report, provides an in-depth survey of all of the work undertaken during the year in support of negotiating agreements to reduce the number of nuclear weapons, to abolish chemical weapons, to reduce the numbers of U.S. and Soviet troops in Central Europe, to seek correction for Soviet noncompliance with existing arms control agreements, and to continue efforts to enhance peace and security and make possible the reduction of military spending worldwide.

RONALD REAGAN

The White House,  
January 31, 1986.

*Note: The message was released by the Office of the Press Secretary on February 1.*

## Radio Address to the Nation on the Federal Budget *February 1, 1986*

*My fellow Americans:*

This has been a difficult week for the United States. I know we've all been deeply shaken by the tragedy of the space shuttle *Challenger*. America has suffered a great national loss, and we mourn as one people united in our grief. Yet as I said to young Americans last Tuesday, we must also find courage to push on. The future does not belong to the fainthearted; it belongs to the brave. The *Challenger* crew was pulling us into the future, and we'll continue to follow them. Nothing ends here. Our hopes and our journeys continue. Great challenges demand heroic struggles. We tend to forget, it being 19 years since our last space program setback, that progress often does not come without great cost or daunting risks.

Nowhere is that lesson clearer than here in Washington, DC. The Federal Government has been living beyond its means for 24 of the last 25 years. Government has been taxing and spending your earnings as though they are inexhaustible, as though there need never be the kind of struggle to make ends meet that families undergo each week. And this is why we have nearly a \$2

trillion debt hanging over our future. All of us were told by our parents, "You've got to face reality." Well, today we as a nation must face the reality that deficit spending, if permitted to continue, could eat away the economic gains we've made these last few years and undermine the well-being of our children.

Recent passage of the Gramm-Rudman-Hollings amendment was an admission by the Congress that zero hour is upon us, that America must make decisions we've never been willing to make before. Gramm-Rudman-Hollings will force the Congress to meet a deficit target by steadily reducing the growth in Federal spending. Each year the deficit must be cut by a fixed amount until it is brought down to zero in fiscal year 1991. If the Congress fails to make the necessary cuts, the law provides for across-the-board cuts to assure the deficit target is met. Today I have ordered Federal agencies to carry out the first round of across-the-board cuts required under the law—\$11.7 billion.

I'm confident we can achieve these reductions while maintaining government

services. Nevertheless, these budget savings make no distinction between high priority programs and those of little merit. Our administration's 1987 budget takes a different and better approach to meeting the Gramm-Rudman-Hollings deficit targets. We propose to reform or eliminate the programs and activities that are either too big or that shouldn't exist at all. And we propose to transfer programs that should be handled by State and local governments or private enterprise consistent with their traditional responsibilities. At the same time, we'll keep faith with the fundamental commitments we made to the American people.

First, we will not cut the essential programs to anyone who needs such assistance; nor will we cut Social Security payments to those who've paid their dues to society.

Second, we will insist on modest but steady growth to sustain the defense program set in motion 5 years ago. When we came to Washington in 1981, U.S. military security had been shamefully neglected. We hadn't built a new land-based strategic missile system since the 1960's, and we'd been dismantling our nuclear warheads even as the Soviet Union was racing forward with the most awesome military buildup in histo-

ry. The morale and training of our Armed Forces was sinking. An alarming percentage of our planes and ships couldn't take off or leave port. And the supply of basic munitions, like bullets and artillery shells, had fallen to an unacceptably low level. The Soviets want nothing more than to see America flinch and forsake the rebuilding program we've worked so hard to get started. We've spent 5 years making our military more competitive and America secure again. We must not permit this vital work to be undone in the second term.

Third, let me make it plain that our budget will not increase taxes on the American people, because any tax increase the Congress sends me will be DOA, dead on arrival. We haven't built 37 months of economic expansion and created over 9 million jobs by raising taxes on the people; we've done it by increasing opportunity. And building an American opportunity society for tomorrow is the vision that must continue to unite and inspire us in the days ahead.

Until next week, thanks for listening. God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## Message to the Congress on Emergency Deficit Control Measures for Fiscal Year 1986

*February 1, 1986*

*To the Congress of the United States:*

In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, I herewith report the issuance of the Order to affected agencies to suspend automatic spending increases and sequester or reduce budgetary resources consistent with the Comptroller General's January 21 sequestration or reduction determinations required by the Act, to eliminate the \$11.7 billion deficit excess for Fiscal Year 1986. This Order is effective March 1, 1986, unless modified by enacted alternative defi-

cit reduction legislation. A copy of the Order is enclosed.

Heads of Executive, Legislative, and Judicial branch agencies have further calculated and are sending to the Congress detailed reports of the base and reduction or sequestration amount by programs, projects, and activities. These calculations are in compliance with the Comptroller General's report.

RONALD REAGAN

The White House,  
February 1, 1986.

## **Order on Emergency Deficit Control Measures for Fiscal Year 1986 February 1, 1986**

By the authority vested in me as President by the statutes of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (hereafter referred to as "the Act"), I hereby order that the following actions be taken immediately to implement the required sequestration or reduction determined by the Comptroller General in his report dated January 21, 1986, under section 251 of the Act:

(1) Each automatic spending increase which, but for the passage of the Act, would be first paid on or after the enactment of the Act during fiscal year 1986 is suspended as provided in section 252(a)(6) and subject to provisions set forth in sections 255, 256, and 257 of the Act. The programs with such 1986 automatic spending increases subject to reduction in this manner, specified by account title, are: Central Intelligence Agency retirement and disability system fund; Civil service retirement and disability fund; Comptrollers general retirement system; Foreign service retirement and disability fund; Military retirement fund; National Oceanic and Atmospheric Administration retirement; Railroad Retirement Tier II; Retired pay, Coast Guard; Retirement pay and medical benefits for commissioned Public Health Service officers; Special benefits, Federal Employees' Compensation Act; National Wool Act; Special milk program; and Vocational rehabilitation.

(2) New budget authority and unobligated balances amounts for major National Defense functional category (050) are sequestered according to the procedures set forth in section 252(a)(2) of the Act.

(3) For non-defense accounts in the Federal budget, the following are sequestered: new budget authority, new loan guarantee commitments, new direct loan obligations, and spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended, and the reduction of obligation limitations, for each account and for each program, project, and activity, as defined pursuant to section 252(a)(1)(B)(i) of

the Act, or each budget account activity as defined pursuant to section 252(a)(1)(B)(ii) of the Act.

(4) For accounts making payments otherwise required by substantive law, the head of each Department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the remainder of the fiscal year (a) where payments are not made from spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended, to the level of remaining budgetary resources or (b) where payments are made from spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended, to the estimated level of payments included in the Comptroller General determination on January 21, 1986, of required sequestration or reduction action.

(5) For accounts making commitments for guaranteed loans and obligations for direct loans subject to limitation otherwise required by substantive law, the head of each Department or agency is directed to modify the calculation of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and specified in the Comptroller General determination of January 21, 1986.

(6) Each Department or agency head may, to the extent not otherwise prohibited by law, use existing authority to deobligate balances of budgetary resources as necessary to apply the required reduction or sequestration in as uniform a manner as possible for any person or other recipient entitled to payments under any formula-driven calculations specified in the substantive law. Deobligations may include budgetary resources obligations for which checks have not been issued or funds not otherwise disbursed (funds obligated but unexpended).

Also, the head of each Department or agency shall report the programs, projects, and activities information required by section 252(a)(5)(A) and (B) to the President of

the Senate, the Speaker of the House, the Director of the Office of Management and Budget, and the Comptroller General, as instructed by the Director of the Office of Management and Budget in Bulletin No. 86-7. For those programs in the National Defense function that have already been reported by program, project, and activity, no additional report is necessary. The reports of the Departments and agencies are hereby incorporated in this Order.

I further direct the Director of Central Intelligence to report the programs, projects, and activities information required by section 252(a)(5)(A) and (B) on a classified basis to the appropriate committees of the Congress for the National Foreign Intelligence Program consistent with paragraphs 1 through 3 of this Order and to so advise the President of the Senate, the Speaker of the House, the Director of the Office of

Management and Budget, and the Comptroller General, as instructed by the Director of the Office of Management and Budget.

In accordance with section 252(a)(6)(A), amounts suspended, sequestered or reduced under this Order shall be withheld from obligation and amounts suspended or sequestered shall be permanently cancelled as of March 1, 1986, unless alternative legislation is enacted prior to that date.

This Order shall be reported to the Congress and shall be published in the *Federal Register*.

RONALD REAGAN

The White House,  
February 1, 1986.

*[Filed with the Office of the Federal Register, 10:56 a.m., February 3, 1986]*

## Message on the Observance of National Afro-American (Black) History Month, February 1986

*February 1, 1986*

Black history is a book filled with rich and unexplored pages. It reached a memorable milestone this very year when the birthday of Dr. Martin Luther King, Jr., became a Federal holiday. This new Federal holiday celebrates more than the faith, leadership, and heroism of one man. It does more than celebrate his splendid achievements or the trail he blazed for others. It symbolizes the struggle of many Americans for full and unfettered recognition of the Constitutional rights of all Americans regardless of race or color.

Black history in the United States has been a proving ground for America's ideals. The first great test of our political good faith came with the Civil War and the rooting out of slavery as an institution. The

second came a century later, in the struggle for the recognition of the rights already won in principle—the abolition of second-class citizenship. To make Americans aware of these struggles, and of all that preceded and followed them, is a foremost purpose of Black History Month. It is also a time to celebrate the achievements of blacks in every field from science and the arts to politics and religion.

It not only offers black Americans an occasion to explore their heritage, but it also offers all Americans an occasion and an opportunity to gain a fuller perspective of the contributions of black Americans to our nation. Let us appreciate this opportunity and build on it.

RONALD REAGAN

## Executive Order 12546—Presidential Commission on the Space Shuttle *Challenger* Accident

February 3, 1986

By the authority vested in me as President by the Constitution and statutes of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), and in order to establish a commission of distinguished Americans to investigate the accident to the Space Shuttle *Challenger*, it is hereby ordered as follows:

**Section 1. Establishment.** (a) There is established the Presidential Commission on the Space Shuttle *Challenger* Accident. The Commission shall be composed of not more than 20 members appointed or designated by the President. The members shall be drawn from among distinguished leaders of the government, and the scientific, technical, and management communities.

(b) The President shall designate a Chairman and a Vice Chairman from among the members of the Commission.

**Sec. 2. Functions.** (a) The Commission shall investigate the accident to the Space Shuttle *Challenger*, which occurred on January 28, 1986.

(b) The Commission shall:

(1) Review the circumstances surrounding the accident to establish the probable cause or causes of the accident; and

(2) Develop recommendations for corrective or other action based upon the Commission's findings and determinations.

(c) The Commission shall submit its final report to the President and the Administrator of the National Aeronautics and Space Administration within one hundred and twenty days of the date of this Order.

**Sec. 3. Administration.** (a) The heads of Executive departments and agencies shall, to the extent permitted by law, provide the

Commission with such information as it may require for purposes of carrying out its functions.

(b) Members of the Commission shall serve without compensation for their work on the Commission. However, members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, to the extent permitted by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707).

(c) To the extent permitted by law, and subject to the availability of appropriations, the Administrator of the National Aeronautics and Space Administration shall provide the Commission with such administrative services, funds, facilities, staff, and other support services as may be necessary for the performance of its functions.

**Sec. 4. General Provisions.** (a) Notwithstanding the provisions of any other Executive Order, the functions of the President under the Federal Advisory Committee Act which are applicable to the Commission, except that of reporting annually to the Congress, shall be performed by the Administrator of the National Aeronautics and Space Administration, in accordance with guidelines and procedures established by the Administrator of General Services.

(b) The Commission shall terminate 60 days after submitting its final report.

RONALD REAGAN

The White House,  
February 3, 1986.

[Filed with the Office of the Federal Register, 4:37 p.m., February 3, 1986]

## Remarks Announcing the Establishment of the Presidential Commission on the Space Shuttle *Challenger* Accident February 3, 1986

It's been almost a week since our nation and families stood together as we watched *Challenger* slip beyond our grasp. The memories of that moment will be with us always, as will the memories of those brave Americans who were aboard. The death of the astronauts and the destruction of the space shuttle *Challenger* will forever be a reminder of the risks involved with space exploration, and we will always remember the *Challenger* Seven.

As we move away from that terrible day, we must devote our energies to finding out how it happened and how it can be prevented from happening again. It's time now to assemble a group of distinguished Americans to take a hard look at the accident, to make a calm and deliberate assessment of the facts and ways to avoid repetition. So, I am today announcing the formation of a Presidential Commission on the Space Shuttle *Challenger* Accident. The Commission will review the circumstances surrounding the accident, determine the probable cause or causes, and develop recommendations for corrective action. And this Commission will report back to me within 120 days.

William P. Rogers, former Secretary of State and former Attorney General, will serve as Chairman of the Commission; and Neil Armstrong, former astronaut, will

serve as its Vice Chairman. In addition, today we're announcing 10 of its members drawn from distinguished leaders of the government, scientific, technical, and management communities.

The crew of the *Challenger* took the risks and paid the ultimate price because they believed in the space program. They were excited by the mystery of what is beyond the Earth and by the limitless possibilities of space exploration. They knew of the dangers they faced. Yet despite those dangers, they chose to go forward, not reluctantly but eagerly and with a thumbs up. And we owe it to them to conduct this investigation so that future space travelers can approach the conquest of space with confidence and America can go forward with enthusiasm and optimism, which has sparked and marked all of our great undertakings.

This is the end of the statement here, but I understand that these gentlemen and Dr. Graham are going over to the press room, where they can field some of your questions on this. Thank you all.

*Note: The President spoke at 2:05 p.m. in the Roosevelt Room at the White House. Dr. William R. Graham was Acting Director of the National Aeronautics and Space Administration.*

## Appointment of 12 Members of the Presidential Commission on the Space Shuttle *Challenger* Accident, and Designation of the Chairman and Vice Chairman February 3, 1986

The President today announced the following individuals to be members of the Presidential Commission on the Space Shuttle *Challenger* Accident. He designated William P. Rogers, former Secretary of State and Attorney General, as Chairman; and Neil A. Armstrong, former astronaut and

chairman of the board of Computing Technologies for Aviation, Inc., as Vice Chairman.

*William P. Rogers*, former Secretary of State (1969-1973) and Attorney General (1957-1961), currently a practicing attorney. Awarded the Medal of Freedom in 1973, he was born

in Norfolk, NY, and currently is affiliated as a partner with the law firm of Rogers & Wells in New York City.

**Neil A. Armstrong**, former astronaut, joined NASA in 1958, currently is chairman of the board of Computing Technologies for Aviation, Inc., of Charlottesville, VA. Born in Wapakoneta, OH, Mr. Armstrong was spacecraft commander for Apollo 11, July 16–24, 1969, the first manned lunar landing mission. He left NASA in 1971 to assume the position of professor at the University of Cincinnati, where he taught aeronautical engineering until 1980. He was appointed to the National Commission on Space in 1985.

**Brig. Gen. Charles (Chuck) Yeager**, (USAF, Ret.), former experimental test pilot, appointed in 1985 to the National Commission on Space. Born in Myra, WV, he currently resides in Cedar Ridge, CA, where he is an aerospace consultant. He is the recipient of two unique aviation records, having been the first man to have penetrated the sound barrier and the first to fly at a speed of more than 1,600 miles an hour, which he achieved in December 1953.

**Dr. Sally K. Ride**, astronaut, born in Los Angeles, CA, currently resides in Houston, TX. She was a mission specialist on STS-7, which was launched from Kennedy Space Center, FL, on June 18, 1983, and thus became the first American woman in space. This was also the second flight for the orbiter *Challenger* and the first mission with a 5-person crew. She holds a doctorate in physics (1978) from Stanford University and is training as a mission specialist.

**Dr. Albert D. (Bud) Wheelon**, physicist and currently a member of the President's Foreign Intelligence Advisory Board, appointed in 1981. Born in Moline, IL, he is currently affiliated with Hughes Aircraft Co., where he serves as senior vice president and group president, space and communications group. He holds a doctorate in physics (1952) from the Massachusetts Institute of Technology and served as a consultant (1961–1974) to the President's Science Advisory Council.

**Robert W. Rummel**, longtime space expert and formerly vice president (engineering) of TWA, Inc. (1943–1959). Born in Dakota, IL, he is currently president of Robert W. Rummel Associates, Inc., of Mesa, AZ. An aerospace engineer, he is a member of the National Academy of Engineering and has been awarded the NASA Distinguished Public Service Medal.

**Dr. Arthur B.C. Walker, Jr.**, professor of applied physics, Stanford University. Born in Cleveland, OH, he holds a doctorate in physics (1962) from the University of Illinois (Urbana).

He is a consultant to Aerospace Corp., Rand Corp., and R&D Associates, Los Angeles. He is a member of the American Physicists Society, American Geophysical Union, American Astronomy Society, and the International Scientific Union.

**Richard P. Feynman**, physicist. Born in New York City, he is professor of theoretical physics at California Institute of Technology, Pasadena, CA. He holds a doctorate in physics (1942) from Princeton and received the Nobel Prize in Physics in 1965. He also received the Einstein Award in 1954, the Oersted Medal in 1972, and the Niels Bohr International Gold Medal in 1973.

**Eugene E. Covert**, educator, engineer. Born in Rapid City, SD, he is currently a professor of aeronautics at the Massachusetts Institute of Technology. He is a consultant to NASA on rocket engines. In 1973 he was a recipient of the Exceptional Civilian Service Award, USAF, and in 1980 received the NASA Public Service Award.

**Robert B. Hotz**, editor, publisher. Born in Milwaukee, WI, he is the former editor of *Aviation Week and Space Technology* magazine, 1953–1980. An author, he has received numerous journalism awards, including the Press Award from the National Space Club, 1965. Since 1982 he has been a member of the General Advisory Committee to the Arms Control and Disarmament Agency. He is a member of the White House Correspondents Association.

**David C. Acheson**, former senior vice president and general counsel, Communications Satellite Corp. (1967–1974), he is currently a partner in the Washington, DC, law firm of Drinker, Biddle and Reath. Born in the Nation's Capital, he has previously served as an attorney with the U.S. Atomic Energy Commission (1948–1950) and U.S. Attorney for the District of Columbia (1961–1965). He holds an LL.B. from Harvard University (1948).

**Maj. Gen. Donald J. Kutyna**, USAF, director of Space Systems and Command Control and Communications. Born in Chicago, IL, he holds a B.S. from the United States Military Academy (1957), master of science in aeronautics and astronautics from the Massachusetts Institute of Technology (1965). A command pilot with 4,000+ flying hours, he served as program manager for the AWACS for foreign military sales. Former manager of the Department of Defense space shuttle program (1982–1984), he managed design and construction of the west coast shuttle launch facility. He is the recipient of the Distinguished Service Medal, Legion of Merit, Distinguished Flying Cross, and nine air medals.

## **Nomination of David Alan Heslop To Be a Member of the National Council on Educational Research, and Designation as Chairman *February 3, 1986***

The President today announced his intention to nominate David Alan Heslop to be a member of the National Council on Educational Research. Upon confirmation, he will be designated Chairman.

Since 1981 Dr. Heslop has been Rose professor of politics, Claremont McKenna College, and since 1974 he has been director of the Rose Institute of State and Local Government, Claremont, CA. From 1974 to 1977, he was dean of the faculty, Claremont Men's College. From 1971 to 1974 and again from 1980 to 1984, he was chairman of the department of political science at

Claremont Men's College. He was an associate professor of political science at Claremont in 1974–1981 and an assistant professor in 1968–1974. Dr. Heslop began his academic career as a teaching assistant for the department of government at the University of Texas in 1962–1964.

Dr. Heslop graduated from Magdalen College, Oxford University (B.A., M.A., 1961), and the University of Texas (Ph.D., 1968). He is married and has three children. He was born February 12, 1938, in Westcliffe-on-Sea, England, and resides in Claremont, CA.

## **Nomination of David F. Goldberg To Be a Director of the Securities Investor Protection Corporation *February 3, 1986***

The President today announced his intention to nominate David F. Goldberg to be a Director of the Securities Investor Protection Corporation. This is a reappointment.

Since 1969 Mr. Goldberg has been chairman and general partner, Goldberg Brothers and Goldberg Securities, in Chicago, IL.

He was a general partner with Geldermann and Co., 1958–1969.

Mr. Goldberg attended Northwestern University in Evanston, IL. He is married and has four children. He was born February 26, 1931, in Chicago, IL, and resides in Golf, IL.

## **Nomination of Richard Thomas McCormack To Be a Member of the Board of Directors of the Inter-American Foundation *February 3, 1986***

The President today announced his intention to nominate Richard Thomas McCormack to be a member of the Board of Directors of the Inter-American Foundation.

Since August 1985 Mr. McCormack has served as the U.S. Permanent Representative to the Organization of American States. From 1982 to 1985, he was Assistant Secretary of State for Economic and Business Affairs. He was a consultant to the Depart-

ment of State in 1981. From 1979 to 1980, he served as legislative assistant to Senator Jesse Helms. He was a private consultant in 1975–1978. He was Deputy Assistant to the Secretary of the Treasury in 1974. In 1972 and 1974 he was a candidate for Congress in Pennsylvania. He was a member of the White House staff in 1969–1971. In 1968 he worked on the Nixon/Agnew campaign staff. In 1967 he was a staff member at the



Peace Corps.

Mr. McCormack graduated from Georgetown University (B.A., 1963) and the University of Fribourg, Switzerland (Ph.D.,

1966). He is married to the former Karen Hagstrom, has two children, and resides in Washington, DC. He was born March 6, 1941, in Bradford, PA.

## **Appointment of John M. Mayfield, Jr., as a Member of the National Advisory Committee on Oceans and Atmosphere**

*February 3, 1986*

The President today announced his intention to appoint John M. Mayfield, Jr., to be a member of the National Advisory Committee on Oceans and Atmosphere.

Since 1970 Mr. Mayfield has been with Microphore, Inc., a manufacturing company in Willits, CA. He joined the firm as executive vice president and was elected president in 1976. From 1968 to 1970, he was deputy director, department of conservation, State of California. In 1965-1968 he

was chairman of the County of Mendocino Board of Supervisors. He was vice president and manager, Mendo Mill and Lumber Co., Ukiah, CA, 1960-1966. In 1959 he was manager, International Wood Products Corp., Humboldt County, CA.

Mr. Mayfield graduated from Humboldt State College (A.B., 1958). He is married and has three children. He was born August 31, 1936, in Nowata, OK, and resides in Ukiah, CA.

## **Appointment of Jack Waltuch as a Member of the President's Commission on White House Fellowships**

*February 3, 1986*

The President today announced his intention to appoint Jack Waltuch to be a member of the President's Commission on White House Fellowships.

Since 1980 Mr. Waltuch has been an associate professor of law, the Delaware Law School of Widener University. He is presently taking a leave of absence from his current position. From 1979 to 1980, he was a graduate fellow, Yale University School of Law. In 1977-1979 he worked in the office of the legal adviser, Ministry for Foreign Affairs, Jerusalem, Israel. In 1975-1977 he was in private law practice in Jeru-

salem, Israel; 1972-1975, senior fellow and jurisprudent, the World Institute, Jerusalem; and 1972, law clerk, Ministry of Social Welfare, Jerusalem. From 1967 to 1971, Mr. Waltuch was executive director/general counsel of the Norwalk-Stamford-Danbury Regional Legal Services, Inc., in Connecticut. He was engaged in the practice of law in the State of Connecticut, 1960-1967.

Mr. Waltuch graduated from the University of Arizona (B.A., 1955) and Yale University (J.D., 1959). He resides in Wilmington, DE, has one child, and was born in Jersey City, NJ, on December 26, 1933.

## **Appointment of Jack E. Ravan as a United States Commissioner on the Ohio River Valley Water Sanitation Commission**

*February 3, 1986*

The President today announced his intention to appoint Jack E. Ravan to be a Commissioner representing the United States Government on the Ohio River Valley Water Sanitation Commission.

Since 1985 Mr. Ravan has been the Regional Administrator, southeastern region, Environmental Protection Agency. From 1983 to 1985, he served as Assistant Administrator for Water, HQS, Environmental Protection Agency. In 1982–1983 he was vice president for project development, Signal Clean Water Corp., Atlanta, GA. In 1980–1982 he was director, Alabama Department of Energy. From 1977 to 1980, Mr. Ravan was with Jordan, Jones & Gould-

ing in Atlanta, GA. In 1971–1977 he was Regional Administrator, southeastern region, Environmental Protection Agency. In 1970–1971 he was Special Assistant to the Federal Co-Chairman, Coastal Plains Regional Commission. He was administrative assistant to Senator Strom Thurmond, 1969–1970, and 1968–1969, technical manager, National Aeronautics and Space Administration. He served in the United States Army, 1959–1967.

Mr. Ravan graduated from the United States Military Academy (B.S., 1959). He is married and has three children. He was born June 18, 1937, in Easley, SC, and resides in Dunwoody, GA.

## **Designation of William Edward Hale as United States Commissioner on the Pecos River Commission**

*February 3, 1986*

The President today announced his intention to designate William Edward Hale to be the Commissioner representing the United States on the Pecos River Commission.

Mr. Hale is a retired hydrologist whose career with the Water Resources Division of the U.S. Geological Survey spanned the years 1939 to 1980. From 1979 to 1980, he was project chief, Task 1, U.S. Geological Survey, Albuquerque, NM. He was district chief, 1966–1978; project chief, 1961–1965;

district engineer, 1956–1960; and project chief, 1952–1956. From 1942 to 1952, he performed general ground water studies for the State of Iowa in cooperation with the Iowa Geological Survey. From 1939 to 1941, he completed a study of water resources in the Pecos Valley, NM.

Mr. Hale graduated from the University of New Mexico (B.S., 1938). He is married and has three children. He was born July 22, 1916, in Nowata, OK, and resides in Albuquerque, NM.

## **Proclamation 5438—National Safe Boating Week, 1986**

*February 3, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Americans increasingly look to the water

for recreation and relaxation. This year, approximately one-quarter of us will enjoy boating in one or more of its many and varied forms. Therefore, it is important that all those involved in recreational boating

should put a high priority on safety. They should know and obey the rules of safe boating, and show courtesy and consideration on the water.

The theme of this year's National Safe Boating Week—"Be Smart! Take a Boating Course!"—emphasizes the importance of learning the safe way to enjoy the sport of boating. Every year, more and more people engage in a variety of boating activities and our Nation's waters are increasingly utilized by a dazzling array of pleasure craft including sailboards, dinghies, ketches, catboats, outriggers, sloops, power yachts, and high-speed motorboats. Lack of knowledge on the part of boat operators makes them liable to expose themselves unnecessarily to hazards, thus endangering not only themselves, but others as well. A review of fatal boating accidents shows that over two-thirds were the fault of the operator. And less than one-quarter of these operators had received any kind of boating education. Through the observance of National Safe Boating Week, 1986, all Americans should be alerted to the importance of learning the rules of safe boating.

In recognition of the need for boating safety, the Congress, by joint resolution approved June 4, 1958, as amended (36 U.S.C. 161), authorized and requested the President to proclaim annually the week commencing on the first Sunday in June as "National Safe Boating Week."

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim the week beginning June 1, 1986, as National Safe Boating Week. I also invite the Governors of the States, Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, and American Samoa, and the Mayor of the District of Columbia to provide for the observance of this week.

*In Witness Whereof*, I have hereunto set my hand this third day of February, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:55 a.m., February 3, 1986]

## Letter Accepting the Resignation of Linda Chavez as Deputy Assistant to the President and Director of the Office of Public Liaison

February 3, 1986

*Dear Linda:*

It is with regret that I accept your resignation as Director of Public Liaison effective as of February 4, 1986. You were always willing to take on challenging assignments and able to succeed brilliantly. I am grateful for the truly outstanding job you have done for my Administration and for America.

As Staff Director for the U.S. Commission on Civil Rights, you demonstrated your wholehearted commitment to the cause of equal rights for all Americans and your unyielding opposition to all forms of discrimination based on race, religion, sex, or ethnic background. More than that, you demon-

strated your ability to deal effectively and persuasively with people of differing views and backgrounds.

Those same exceptional qualities of character and intellect were the secret of your great success as Director of the White House Office of Public Liaison. There you served as an able and eloquent advocate—explaining our policies to a wide range of diverse groups and winning their understanding and support. But you were also keenly aware that communication with government must be a two-way street. I'm especially proud of the way you were able to elicit the views of diverse constituencies and bring them to my attention so they

could be given proper consideration in the creation and carrying out of policy.

I vividly recall a meeting you arranged in the cabinet room shortly before my departure for Geneva. It gave me the opportunity for a stimulating dialogue with a number of religious leaders on how best to achieve our shared goal of peace and justice in the world.

On many other occasions you set up opportunities for me to meet across the table and discuss the major issues with leaders from business, labor, civic and fraternal organizations—as well as a host of trade, professional, ethnic, and religious groups. I can assure you that this dialogue has been very helpful to us in developing policy proposals and improving the way government programs work. In your own, calm, thoughtful and efficient way you also provided us with a model of how government officials should work.

The members of the White House Staff and the Cabinet will all miss you. I certainly know I will. But I know that your decision to leave was prompted by the same desire to serve your country that led you to come and work in my Administration. Let me assure you, Linda, that my high regard for your good judgment persuades me that you have made the right decision.

I wish you all the best in your new endeavors. Good luck, and God bless you!

Sincerely,

/s/ RONALD REAGAN

*Dear Mr. President:*

It is with mixed emotions that I write this

letter resigning my post as your Director of Public Liaison, for this has surely been the most rewarding and exciting year of my life.

The honor you have bestowed in allowing me to serve in your Administration both here at the White House and previously as Staff Director of the U.S. Commission on Civil Rights humbles me.

You have made all Americans proud once again of this country as you made us stronger and safer. You have brought prosperity and offered hope to millions of us. You have restored our sense of values and have given us a new vision of what will keep this country great and free. I have been proud to serve you and my country, but now I think I can do so better by seeking elected office.

I will never forget your kindness and genuine affection for people. It is, I am sure, the source of your seemingly limitless strength. Perhaps most of all, I will remember your words to the nation last week when you consoled us in the aftermath of national tragedy. Your greatness as President was never more evident than the way in which you reminded us that those seven young men and women died for their country, willingly sacrificing themselves for our futures. Your words and your manner transformed sorrow into hope and comforted us all. Thank you, Mr. President.

With admiration and respect,

/s/ LINDA CHAVEZ

*Note: The originals were not available for verification of the content of these letters.*

## Appointment of Francis B. Morse, Jr., as a Member of the National Highway Safety Advisory Committee

*February 3, 1986*

The President today announced his intention to appoint Francis B. Morse, Jr., to be a member of the National Highway Safety Advisory Committee.

Since 1965 Mr. Morse has been the

owner/operator of A. Adams Trucking, Inc., in New Bedford, MA.

Mr. Morse is married and has six children. He was born March 1, 1930, in New Bedford, MA.

## Letter to the Speaker of the House and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict *February 3, 1986*

*Dear Mr. Speaker: (Dear Mr. Chairman:)*

In accordance with Public Law 95-384, I am submitting to you a bimonthly report on progress toward a negotiated settlement of the Cyprus question.

Since my last report, the U.N. Secretary General has continued his good offices mission. U.N. officials held working-level meetings with the Turkish Cypriot side in London November 18 and 19, 1985, and with the Greek Cypriot side November 30 and December 1.

These discussions were to review the positions of the parties, elicit their views on outstanding issues, and help him prepare a framework agreement for a Cyprus settlement which he plans to submit to both sides for their consideration. The Secretary General subsequently termed these meetings useful and said both parties had agreed to continue these discussions.

On December 14, 1985, the U.N. Security Council renewed the mandate of the United Nations Forces in Cyprus (UNFICYP) for another six months. Prior to the vote the Secretary General sent the Council a report on U.N. operations in Cyprus, including a review of his good offices mission

over the June 1–November 30, 1985 period. I am enclosing a copy of the Secretary General's report.

U.S. officials have continued to consult closely with the interested parties. In December Deputy Assistant Secretary James Wilkinson, the Department of State's Cyprus Coordinator, visited Turkey, Greece, and Cyprus and held discussions on bilateral questions and on the Cyprus issue. In Cyprus he met with Greek and Turkish Cypriot leaders. During his trip, Mr. Wilkinson expressed our support for the U.N. Secretary General's initiative as the most realistic and productive approach to achieving a Cyprus settlement and urged all concerned to cooperate with the Secretary General's efforts.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Richard G. Lugar, chairman of the Senate Foreign Relations Committee. The letter was released by the Office of the Press Secretary on February 4.*

## Address Before a Joint Session of Congress on the State of the Union *February 4, 1986*

*Mr. Speaker, Mr. President, distinguished Members of the Congress, honored guests, and fellow citizens:*

Thank you for allowing me to delay my address until this evening. We paused together to mourn and honor the valor of our seven *Challenger* heroes. And I hope that we are now ready to do what they would want us to do: Go forward, America, and reach for the stars. We will never forget those brave seven, but we shall go forward.

Mr. Speaker, before I begin my prepared remarks, may I point out that tonight marks

the 10th and last State of the Union Message that you've presided over. And on behalf of the American people, I want to salute you for your service to Congress and country. Here's to you! *[Applause]*

I have come to review with you the progress of our nation, to speak of unfinished work, and to set our sights on the future. I am pleased to report the state of our Union is stronger than a year ago and growing stronger each day. Tonight we look out on a rising America, firm of heart, united in spirit, powerful in pride and patri-

otism. America is on the move! But it wasn't long ago that we looked out on a different land: locked factory gates, long gasoline lines, intolerable prices, and interest rates turning the greatest country on Earth into a land of broken dreams. Government growing beyond our consent had become a lumbering giant, slamming shut the gates of opportunity, threatening to crush the very roots of our freedom. What brought America back? The American people brought us back with quiet courage and common sense, with undying faith that in this nation under God the future will be ours; for the future belongs to the free.

Tonight the American people deserve our thanks for 37 straight months of economic growth, for sunrise firms and modernized industries creating 9 million new jobs in 3 years, interest rates cut in half, inflation falling over from 12 percent in 1980 to under 4 today, and a mighty river of good works—a record \$74 billion in voluntary giving just last year alone. And despite the pressures of our modern world, family and community remain the moral core of our society, guardians of our values and hopes for the future. Family and community are the costars of this great American comeback. They are why we say tonight: Private values must be at the heart of public policies.

What is true for families in America is true for America in the family of free nations. History is no captive of some inevitable force. History is made by men and women of vision and courage. Tonight freedom is on the march. The United States is the economic miracle, the model to which the world once again turns. We stand for an idea whose time is now: Only by lifting the weights from the shoulders of all can people truly prosper and can peace among all nations be secure. Teddy Roosevelt said that a nation that does great work lives forever. We have done well, but we cannot stop at the foothills when Everest beckons. It's time for America to be all that we can be.

We speak tonight of an agenda for the future, an agenda for a safer, more secure world. And we speak about the necessity for actions to steel us for the challenges of growth, trade, and security in the next decade and the year 2000. And we will do it—not by breaking faith with bedrock prin-

ciples but by breaking free from failed policies. Let us begin where storm clouds loom darkest—right here in Washington, DC. This week I will send you our detailed proposals; tonight let us speak of our responsibility to redefine government's role: not to control, not to demand or command, not to contain us, but to help in times of need and, above all, to create a ladder of opportunity to full employment so that all Americans can climb toward economic power and justice on their own.

But we cannot win the race to the future shackled to a system that can't even pass a Federal budget. We cannot win that race held back by horse-and-buggy programs that waste tax dollars and squander human potential. We cannot win that race if we're swamped in a sea of red ink. Now, Mr. Speaker, you know, I know, and the American people know the Federal budget system is broken. It doesn't work. Before we leave this city, let's you and I work together to fix it, and then we can finally give the American people a balanced budget.

Members of Congress, passage of Gramm-Rudman-Hollings gives us an historic opportunity to achieve what has eluded our national leadership for decades: forcing the Federal Government to live within its means. Your schedule now requires that the budget resolution be passed by April 15th, the very day America's families have to foot the bill for the budgets that you produce. How often we read of a husband and wife both working, struggling from paycheck to paycheck to raise a family, meet a mortgage, pay their taxes and bills. And yet some in Congress say taxes must be raised. Well, I'm sorry; they're asking the wrong people to tighten their belts. It's time we reduce the Federal budget and left the family budget alone. We do not face large deficits because American families are undertaxed; we face those deficits because the Federal Government overspends.

The detailed budget that we will submit will meet the Gramm-Rudman-Hollings target for deficit reductions, meet our commitment to ensure a strong national defense, meet our commitment to protect Social Security and the truly less fortunate, and, yes, meet our commitment to not raise

taxes. How should we accomplish this? Well, not by taking from those in need. As families take care of their own, government must provide shelter and nourishment for those who cannot provide for themselves. But we must revise or replace programs enacted in the name of compassion that degrade the moral worth of work, encourage family breakups, and drive entire communities into a bleak and heartless dependency. Gramm-Rudman-Hollings can mark a dramatic improvement. But experience shows that simply setting deficit targets does not assure they'll be met. We must proceed with Grace commission reforms against waste.

And tonight I ask you to give me what 43 Governors have: Give me a line-item veto this year. Give me the authority to veto waste, and I'll take the responsibility, I'll make the cuts, I'll take the heat. This authority would not give me any monopoly power, but simply prevent spending measures from sneaking through that could not pass on their own merit. And you can sustain or override my veto; that's the way the system should work. Once we've made the hard choices, we should lock in our gains with a balanced budget amendment to the Constitution.

I mentioned that we will meet our commitment to national defense. We must meet it. Defense is not just another budget expense. Keeping America strong, free, and at peace is solely the responsibility of the Federal Government; it is government's prime responsibility. We have devoted 5 years trying to narrow a dangerous gap born of illusion and neglect, and we've made important gains. Yet the threat from Soviet forces, conventional and strategic, from the Soviet drive for domination, from the increase in espionage and state terror remains great. This is reality. Closing our eyes will not make reality disappear. We pledged together to hold real growth in defense spending to the bare minimum. My budget honors that pledge, and I'm now asking you, the Congress, to keep its end of the bargain. The Soviets must know that if America reduces her defenses, it will be because of a reduced threat, not a reduced resolve.

Keeping America strong is as vital to the

national security as controlling Federal spending is to our economic security. But, as I have said before, the most powerful force we can enlist against the Federal deficit is an ever-expanding American economy, unfettered and free. The magic of opportunity—unreserved, unfailing, unrestrained—isn't this the calling that unites us? I believe our tax rate cuts for the people have done more to spur a spirit of risk-taking and help America's economy break free than any program since John Kennedy's tax cut almost a quarter century ago.

Now history calls us to press on, to complete efforts for an historic tax reform providing new opportunity for all and ensuring that all pay their fair share, but no more. We've come this far. Will you join me now, and we'll walk this last mile together? You know my views on this. We cannot and we will not accept tax reform that is a tax increase in disguise. True reform must be an engine of productivity and growth, and that means a top personal rate no higher than 35 percent. True reform must be truly fair, and that means raising personal exemptions to \$2,000. True reform means a tax system that at long last is profamily, projobs, profuture, and pro-America.

As we knock down the barriers to growth, we must redouble our efforts for freer and fairer trade. We have already taken actions to counter unfair trading practices and to pry open closed foreign markets. We will continue to do so. We will also oppose legislation touted as providing protection that in reality pits one American worker against another, one industry against another, one community against another, and that raises prices for us all. If the United States can trade with other nations on a level playing field, we can outproduce, outcompete, and outsell anybody, anywhere in the world.

The constant expansion of our economy and exports requires a sound and stable dollar at home and reliable exchange rates around the world. We must never again permit wild currency swings to cripple our farmers and other exporters. Farmers, in particular, have suffered from past unwise government policies. They must not be

abandoned with problems they did not create and cannot control. We've begun coordinating economic and monetary policy among our major trading partners. But there's more to do, and tonight I am directing Treasury Secretary Jim Baker to determine if the nations of the world should convene to discuss the role and relationship of our currencies.

Confident in our future and secure in our values, Americans are striving forward to embrace the future. We see it not only in our recovery but in 3 straight years of falling crime rates, as families and communities band together to fight pornography, drugs, and lawlessness and to give back to their children the safe and, yes, innocent childhood they deserve. We see it in the renaissance in education, the rising SAT scores for 3 years—last year's increase, the greatest since 1963. It wasn't government and Washington lobbies that turned education around; it was the American people who, in reaching for excellence, knew to reach back to basics. We must continue the advance by supporting discipline in our schools, vouchers that give parents freedom of choice; and we must give back to our children their lost right to acknowledge God in their classrooms.

We are a nation of idealists, yet today there is a wound in our national conscience. America will never be whole as long as the right to life granted by our Creator is denied to the unborn. For the rest of my time, I shall do what I can to see that this wound is one day healed.

As we work to make the American dream real for all, we must also look to the condition of America's families. Struggling parents today worry how they will provide their children the advantages that their parents gave them. In the welfare culture, the breakdown of the family, the most basic support system, has reached crisis proportions—in female and child poverty, child abandonment, horrible crimes, and deteriorating schools. After hundreds of billions of dollars in poverty programs, the plight of the poor grows more painful. But the waste in dollars and cents pales before the most tragic loss: the sinful waste of human spirit and potential. We can ignore this terrible truth no longer. As Franklin Roosevelt

warned 51 years ago, standing before this Chamber, he said, "Welfare is a narcotic, a subtle destroyer of the human spirit." And we must now escape the spider's web of dependency.

Tonight I am charging the White House Domestic Council to present me by December 1, 1986, an evaluation of programs and a strategy for immediate action to meet the financial, educational, social, and safety concerns of poor families. I'm talking about real and lasting emancipation, because the success of welfare should be judged by how many of its recipients become independent of welfare. Further, after seeing how devastating illness can destroy the financial security of the family, I am directing the Secretary of Health and Human Services, Dr. Otis Bowen, to report to me by year end with recommendations on how the private sector and government can work together to address the problems of affordable insurance for those whose life savings would otherwise be threatened when catastrophic illness strikes.

And tonight I want to speak directly to America's younger generation, because you hold the destiny of our nation in your hands. With all the temptations young people face, it sometimes seems the allure of the permissive society requires superhuman feats of self-control. But the call of the future is too strong, the challenge too great to get lost in the blind alleyways of dissolution, drugs, and despair. Never has there been a more exciting time to be alive, a time of rousing wonder and heroic achievement. As they said in the film "Back to the Future," "Where we're going, we don't need roads."

Well, today physicists peering into the infinitely small realms of subatomic particles find reaffirmations of religious faith. Astronomers build a space telescope that can see to the edge of the universe and possibly back to the moment of creation. So, yes, this nation remains fully committed to America's space program. We're going forward with our shuttle flights. We're going forward to build our space station. And we are going forward with research on a new Orient Express that could, by the end of the next decade, take off from Dulles Air-



port, accelerate up to 25 times the speed of sound, attaining low Earth orbit or flying to Tokyo within 2 hours. And the same technology transforming our lives can solve the greatest problem of the 20th century. A security shield can one day render nuclear weapons obsolete and free mankind from the prison of nuclear terror. America met one historic challenge and went to the Moon. Now America must meet another: to make our strategic defense real for all the citizens of planet Earth.

Let us speak of our deepest longing for the future: to leave our children a land that is free and just and a world at peace. It is my hope that our fireside summit in Geneva and Mr. Gorbachev's upcoming visit to America can lead to a more stable relationship. Surely no people on Earth hate war or love peace more than we Americans. But we cannot stroll into the future with childlike faith. Our differences with a system that openly proclaims and practices an alleged right to command people's lives and to export its ideology by force are deep and abiding. Logic and history compel us to accept that our relationship be guided by realism—rock-hard, clear-eyed, steady, and sure. Our negotiators in Geneva have proposed a radical cut in offensive forces by each side with no cheating. They have made clear that Soviet compliance with the letter and spirit of agreements is essential. If the Soviet Government wants an agreement that truly reduces nuclear arms, there will be such an agreement.

But arms control is no substitute for peace. We know that peace follows in freedom's path and conflicts erupt when the will of the people is denied. So, we must prepare for peace not only by reducing weapons but by bolstering prosperity, liberty, and democracy however and wherever we can. We advance the promise of opportunity every time we speak out on behalf of lower tax rates, freer markets, sound currencies around the world. We strengthen the family of freedom every time we work with allies and come to the aid of friends under siege. And we can enlarge the family of free nations if we will defend the unalienable rights of all God's children to follow their dreams.

To those imprisoned in regimes held captive, to those beaten for daring to fight for freedom and democracy—for their right to worship, to speak, to live, and to prosper in the family of free nations—we say to you tonight: You are not alone, freedom fighters. America will support with moral and material assistance your right not just to fight and die for freedom but to fight and win freedom—to win freedom in Afghanistan, in Angola, in Cambodia, and in Nicaragua. This is a great moral challenge for the entire free world.

Surely no issue is more important for peace in our own hemisphere, for the security of our frontiers, for the protection of our vital interests, than to achieve democracy in Nicaragua and to protect Nicaragua's democratic neighbors. This year I will be asking Congress for the means to do what must be done for that great and good cause. As [former Senator Henry M.] Scoop Jackson, the inspiration for our Bipartisan Commission on Central America, once said, "In matters of national security, the best politics is no politics."

What we accomplish this year, in each challenge we face, will set our course for the balance of the decade, indeed, for the remainder of the century. After all we've done so far, let no one say that this nation cannot reach the destiny of our dreams. America believes, America is ready, America can win the race to the future—and we shall. The American dream is a song of hope that rings through night winter air; vivid, tender music that warms our hearts when the least among us aspire to the greatest things: to venture a daring enterprise; to unearth new beauty in music, literature, and art; to discover a new universe inside a tiny silicon chip or a single human cell.

We see the dream coming true in the spirit of discovery of Richard Cavoli. All his life he's been enthralled by the mysteries of medicine. And, Richard, we know that the experiment that you began in high school was launched and lost last week, yet your dream lives. And as long as it's real, work of noble note will yet be done, work that could reduce the harmful effects of x rays on patients and enable astronomers to view

the golden gateways of the farthest stars.

We see the dream glow in the towering talent of a 12-year-old, Tyrone Ford. A child prodigy of gospel music, he has surmounted personal adversity to become an accomplished pianist and singer. He also directs the choirs of three churches and has performed at the Kennedy Center. With God as your composer, Tyrone, your music will be the music of angels.

We see the dream being saved by the courage of the 13-year-old Shelby Butler, honor student and member of her school's safety patrol. Seeing another girl freeze in terror before an out-of-control school bus, she risked her life and pulled her to safety. With bravery like yours, Shelby, America need never fear for our future.

And we see the dream born again in the joyful compassion of a 13 year old, Trevor Ferrell. Two years ago, age 11, watching men and women bedding down in abandoned doorways—on television he was watching—Trevor left his suburban Philadelphia home to bring blankets and food to the helpless and homeless. And now 250

people help him fulfill his nightly vigil. Trevor, yours is the living spirit of brotherly love.

Would you four stand up for a moment? Thank you, thank you. You are heroes of our hearts. We look at you and know it's true: In this land of dreams fulfilled, where greater dreams may be imagined, nothing is impossible, no victory is beyond our reach, no glory will ever be too great.

So, now it's up to us, all of us, to prepare America for that day when our work will pale before the greatness of America's champions in the 21st century. The world's hopes rest with America's future; America's hopes rest with us. So, let us go forward to create our world of tomorrow in faith, in unity, and in love.

God bless you, and God bless America.

*Note: The President spoke at 8:04 p.m. in the House Chamber of the Capitol. He was introduced by Thomas P. O'Neill, Jr., Speaker of the House of Representatives. The address was broadcast live on nationwide radio and television.*

## Remarks on Signing the Fiscal Year 1987 Budget and the Management Report

February 5, 1986

*The President.* Well, good morning.

*Q.* Good morning, Mr. President.

*The President.* Well, I'm glad you could all join—and you especially could all join for what I believe is a truly momentous occasion. I'm sending up my budget for fiscal year 1987, which I think makes some commonsense reductions in Federal spending. And it reduces the deficit by \$38 billion to meet the requirements of Gramm-Rudman-Hollings—as you know, that passed Congress overwhelmingly last year—and it does so without reducing our commitment to the poor and the elderly, and it does so without weakening our national security, and it does so without increasing taxes to pay for more spending. So, I am pleased to sign these copies of the budget for all of you and the management report which accompanies it.

And I hope we can work together on this important step toward a balanced budget. And I'm not going to try to sort these out protocol-wise. I'm just going to hope I can get them signed straight.

*[At this point, the President signed copies of the budget and the management report.]*

*The President.* And we have a couple of others who are not here that I think are lost in traffic somewhere.

*Senator Dole.* Jim Wright says he's caught up in traffic. It's bad out there.

*Q.* Did you invite Tip, too?

*The President.* He also—

*Congressman Michel.* In view of your nice remarks about the Speaker, I'll be happy to convey one to him, too, Mr. President. *[Laughter]* Thank you, sir.

*The President.* All right. There you are.

*Senator Dole.* Thank you, Mr. President, appreciate it.

*Senator Thurmond.* And that's the best speech that's been made in the 32 years I've been in the Senate.

*The President.* Thank you very much.

*Senator Byrd.* And what you said about Mr. O'Neill was very, very gracious.

*Congressman Michel.* It was a nice touch because I think it gets us off, started on the right foot, hopefully to get cooperation between the legislative and executive branch and between the two parties. It's the only way we're going to get the job done.

*Senator Byrd.* Thank you.

*The President.* Okay.

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*Reporter.* Mr. President, sir, is it going to take an oil import fee to make this tax reform plan balance out properly?

*The President.* I don't know. I said that this is one thing that I'm willing to look at. The whole idea, however, is that, as you know, that the end result must be revenue neutral, that it does not increase the amount of money we're taking from the private sector for government in that tax

reform. And this means that the discussion is going to be what are the things—the tax privileges and so forth—with regard to deductions that can be taken out to simplify it and yet still maintain the same level of revenue. So, I've said that I'm willing to look at that on that basis.

*Q.* How do you think you'll do trying to sell that increase in the defense budget to a Congress that's worried about reducing the deficit?

*The President.* Well, I'm most hopeful that we can, because I think that we're living in a very dangerous world, and we're still playing catchup. We are still far behind in both conventional and strategic weapons of the Soviet Union.

*Mr. Speakes.* Mr. President.

*Q.* Thank you, sir.

*The President.* All right. Thank you all.

*Note: The President spoke at 9:45 a.m. in the Oval Office at the White House. Present for the ceremony were Senate Majority Leader Robert Dole, Senate Minority Leader Robert C. Byrd, President pro tempore of the Senate Strom Thurmond, and House Minority Leader Robert H. Michel. Larry M. Speakes was Principal Deputy Press Secretary to the President.*

## Message to the Congress Transmitting the Fiscal Year 1987 Budget February 5, 1986

*To the Congress of the United States:*

The economic expansion we are now enjoying is one of the most vigorous in 35 years. Family income is at an all-time high; production and productivity are increasing; employment gains have been extraordinary; and inflation, which raged at double-digit rates when I took office, has been reduced dramatically. Defense capabilities, which had been dangerously weakened during the 1970s, are being rebuilt, restoring an adequate level of national security and deterrence to war. Moreover, an insupportable growth in tax burdens and Federal regulations has been halted.

Let me give you a few highlights:

- Employment has grown by 9.2 million in the past three years, while the unemployment rate has fallen by 3.8 percentage points; during the three years preceding my administration, employment grew by only 5.5 million and the unemployment rate rose 0.8 percentage points.
- The highest proportion of our adult population (60%) is now at work, with more blacks and other minorities employed (14 million) than ever before.
- Inflation, which averaged 11.6% a year during the three years before I took office, has averaged only a third of that—3.8%—during the last three years.
- Real GNP has grown at a 4.5% annual

rate during the past three years, compared with only a 2.2% annual rate during the last three years of the previous administration.

- The prime rate of interest and other key interest rates are less than half what they were when I took office.

- Some 11,000 new business incorporations are generated every week, and since early 1983, investment in plant and equipment has risen 44% in real terms.

- During the past three years, industrial production has risen by 25%.

- During the same period, corporate profits increased 117% and stocks nearly doubled in value.

- Federal tax revenues have returned to historic levels of approximately 18½% of GNP, as tax rates have been cut across-the-board and indexed for inflation.

- As a result of all of the above, real after-tax personal income has risen 10.6% during the last three years—an average increase of \$2,500 for each American household.

This dramatic improvement in the performance of our economy was no accident. We have put in place policies that reflect our commitment to reduce Federal Government intrusion in the private sector and

have eliminated many barriers to the process of capital formation and growth. We continue to maintain a steadfast adherence to the four fundamental principles of the economic program I presented in February 1981:

- Reducing the growth of Federal spending;
- Limiting tax burdens;
- Relieving the economy of excessive regulation; and
- Supporting a sound and stable monetary policy.

Conditions are now in place for a sustained era of national prosperity. But, there is a major threat looming on the horizon: the Federal deficit. If this deficit is not brought under control, we risk losing all we've achieved—and more.

We cannot let this happen. Therefore, the budget I am presenting has as its major objective setting the deficit on a downward path to a balanced budget by 1991. In so doing, my budget meets or exceeds the deficit reduction targets set out in the Balanced Budget and Emergency Deficit Control Act, commonly known for its principal sponsors as Gramm-Rudman-Hollings.

## BUDGET SUMMARY

[In billions of dollars]

	1985	1986	1987	1988	1989	1990	1991
Receipts .....	734.1	777.1	850.4	933.2	996.1	1,058.1	1,124.0
Outlays .....	946.3	979.9	994.0	1,026.8	1,063.6	1,093.8	1,122.7
Surplus or deficit (—).....	–212.3	–202.8	–143.6	–93.6	–67.5	–35.8	1.3
Gramm-Rudman-Hollings deficit targets.....		–171.9	–144.0	–108.0	–72.0	–36.0	0.0
Difference.....		30.9	–0.4	–14.4	–4.5	–0.2	–1.3

Note.—Totals include social security, which is off-budget.

At the end of the last session of Congress there emerged a bipartisan consensus that something had to be done about the deficit. The result—Gramm-Rudman-Hollings—committed both the President and the Congress to a fixed schedule of progress. By

submitting this budget, I am abiding by the law and keeping my part of the bargain.

This budget shows, moreover, that eliminating the deficit is possible *without* raising taxes, *without* sacrificing our defense preparedness, and *without* cutting into legiti-

mate programs for the poor and the elderly. A tax increase would jeopardize our economic expansion and might well prove counterproductive in terms of its effect on the deficit. We can hardly back away from our defense build-up without creating confusion among friends and adversaries alike about our determination to maintain our commitments and without jeopardizing our prospects for meaningful arms control talks. And frankly we must not break faith with those poor and elderly who depend on Federal programs for their security.

### *The Deficit and Economic Growth*

Until the Second World War, the Federal budget was kept in balance or ran a surplus during peacetime as a matter of course. But in the early 1960s this traditional fiscal discipline and political rectitude began to break down. We have run deficits during 24 of the last 25 years. In the past ten years, they have averaged 2.5% of GNP. But last year the deficit was over 5% of GNP. This trend is clearly in the wrong direction and must be reversed.

Last year's deficit amounted to nearly \$1,000 for every man, woman, and child in the United States. To eliminate the deficit solely by increasing taxes would mean imposing an extra \$2,400 burden on each American household. But taxes are already higher relative to GNP than they were during the 1960s and early 1970s—before inflation pushed them to levels that proved insupportable. The American people have made it clear they will not tolerate a higher tax burden. Spending is the problem—not taxes—and spending must be cut.

The program of spending cuts and other reforms contained in my budget will lead to a balanced budget at the end of five years and will thus remove a serious impediment to the continuation of our economic expansion. As this budget shows, such reforms can be accomplished in an orderly manner, without resorting to desperate measures.

Inappropriate and outmoded programs, and activities that cannot be made cost effective, must be ended. Activities that are essential, but that need not be carried out by the Federal Government, can be placed in the private sector or, if they are properly public in nature, turned over to State and

local governments. As explained in the Management Report I am also submitting today, efficiencies can be realized through improved management techniques, increased productivity, and program consolidations.

The need to cut unnecessary Federal spending and improve management of necessary programs must be made a compelling guide to our policy choices. The result will be a leaner, better integrated, more streamlined Federal Government—stripped of marginal, nonessential and inappropriate functions and activities, and focusing its energies and resources entirely on its proper tasks and constitutional responsibilities. That way, resources will be allocated more efficiently—those things best done by government will be done by government; those things best done by the private sector will be directed by the marketplace.

The Balanced Budget and Emergency Deficit Control Act (Gramm-Rudman-Hollings) requires that spending be reduced in accord with a prescribed formula if projected deficits exceed the predetermined targets. This mechanism will operate in a limited fashion during the current fiscal year. However, we should avoid such across-the-board cuts in the future, and they will not be necessary if Congress adopts this budget. Achieving budget savings by taking into account relative priorities among programs is a much better way than resorting to an arbitrary formula. The latter could dangerously weaken vital programs involving the national security or public health and safety, while leaving marginal programs substantially intact.

If the spending cuts and other reforms proposed in this budget are approved, the Federal deficit will be reduced by \$166 billion over the next three years. This represents about \$700 for every individual American and about \$1,900 for every household. I believe this is the appropriate way to deal with the deficit: cut excessive Federal spending rather than attack the family budget by increasing taxes, or risk a deterioration in our national security posture, or break faith with the dependent poor and elderly.

*Restructuring and Returning the Federal Government to its Proper Role*

The task of reducing the deficit must be pursued with an eye toward narrowing the current wide scope of Government activities to the provision of those, but only those, necessary and essential services toward which all taxpayers should be contributing—and providing them as efficiently as possible. This is the underlying philosophy that I have used in shaping this year's budget. Let me explain:

*High priority programs should be adequately funded.*—Despite the very tight fiscal environment, this budget provides funds for maintaining—and in some cases expanding—high priority programs in crucial areas of national interest. Necessary services and income support for the dependent poor and the elderly receive significant funding in this budget. So do other programs of national interest, including drug enforcement, AIDS research, the space program, nonmilitary research, and national security.

While national security programs continue to be one of my highest priorities, they have not been exempt from general budgetary stringency. Last summer I reluctantly agreed with Congress to scale back the planned growth of defense appropriations to a zero real increase for 1986 and only a 3% real increase each year thereafter. Congressional action on 1986 appropriations and the subsequent sequestration for 1986 under Gramm-Rudman-Hollings have cut defense budget authority well below last year's level. The budget I am submitting would return defense funding to a steady, well-managed growth pattern consistent with the program levels agreed to in last year's budget resolution and consistent with what the country needs in order to provide for our national security.

During the past 5 years, we have reversed the decline in defense spending and have made significant progress in restoring our military capabilities. The moderate increases that are now requested are necessary to maintain this progress and enable us to move forward with meaningful arms reduction negotiations with the Soviet Union.

*Unnecessary programs are no longer af-*

*fordable.*—Some government programs have become outmoded, have accomplished their original purpose, represent an inappropriate area for Federal involvement in the first place, or are marginal in the current tight budgetary environment. If it would not be appropriate or feasible for the private sector or for State or local governments to assume such functions, this budget proposes that programs of this variety be terminated immediately, phased out in an orderly manner, or eliminated when their legal authority expires. Examples include Small Business Administration credit programs, Amtrak grants, Urban Development Action Grants, the Appalachian Regional Commission, the Economic Development Administration, the Interstate Commerce Commission, Maritime Administration loan guarantees, education subsidies for health professionals, the work incentives program, and subsidies for air carriers.

*Many other programs should be reduced to a more appropriate scale.*—Some Federal programs have become overextended, misdirected, or operate on too expansive a scale given the current tight budgetary environment. This budget proposes reforms to limit the costs and future growth of medicare and medicaid, subsidized housing, Civil Service pensions and health benefits, postal subsidies, interstate highway grants, the Forest Service, and many other programs.

*The Government should not compete with the private sector.*—Traditionally, governments supply the type of needed services that would not be provided by the private marketplace. Over the years, however, the Federal Government has acquired many commercial-type operations. In most cases, it would be better for the Government to get out of the business and stop competing with the private sector, and in this budget I propose that we begin that process. Examples of such "privatization" initiatives in this budget include sale of the power marketing administrations and the naval petroleum reserves; and implementation of housing and education voucher programs. I am also proposing the sale of unneeded assets, such as loan portfolios and surplus real estate, and contracting out appropriate Federal services.

*Many services can be provided better by State and local governments.*—Over the years, the Federal Government has preempted many functions that properly ought to be operated at the State or local level. This budget contemplates an end to unwarranted Federal intrusion into the State and local sphere and restoration of a more balanced, constitutionally appropriate, federalism with more clearly delineated roles for the various levels of government. Examples include new consolidations of restrictive small categorical grant programs into block grants for transportation and environmental protection, at reduced Federal costs. Continued funding is maintained for existing block grants for social services, health, education, job training, and community development.

Administration of the agricultural extension service should be turned over to State and local governments. Also, the Federal Government should get out of the business of paying for local sewage treatment systems, local airports, local law enforcement, subsidies to State maritime schools, and local coastal management.

*Remaining Federal activities should be better managed.*—As we proceed with the deficit reduction process over the next several years, it is important that all remaining Federal operations be well managed and coordinated to avoid duplication, reduce costs, and minimize regulatory burdens imposed on the private sector. Management efficiencies must accompany the process of developing a leaner, more carefully focused Federal role. We can no longer afford unnecessary overhead and inefficiencies when we are scaling back the role and cost of the Federal Government.

Substantial savings in overhead costs have been achieved under provisions of the Deficit Reduction Act of 1984. As described in my Management Report, more savings are possible, and these effects are incorporated in this budget. Outmoded, inefficient systems of agency cash and credit management are being replaced; administrative policies and procedures, approaches to automatic data processing, and agency field structures will be streamlined and upgraded; and waste, fraud, and abuse will be further reduced. All these initiatives, part of

our Reform '88 program, will take advantage of efficiencies made possible by modern management techniques, improved communications, and new information technology. We shall run the Federal Government on a business-like basis—improving service delivery and reducing taxpayer costs.

Administration of Federal agencies will be made more efficient through the adoption of staffing standards, automation of manual processes, consolidation of similar functions, and reduction of administrative overhead costs. A program to increase productivity by 20% by 1992 in all appropriate Government functions is being instituted, and a major effort is proposed to revamp our outmoded management of a \$250 billion Federal credit portfolio. This effort will include establishing prescreening, origination fees, administration and penalty charges, use of collection agencies, charging appropriate interest rates, and the sale of loan portfolios.

Our management improvement program will result in a leaner and more efficient Federal structure and is described in greater detail in my separate Management Report. Improving the management of the Government must be accorded a crucial role and the priority it deserves.

We must also reduce unnecessary costs and burdens on the nonfederal sector and have already made considerable progress in reducing the costs imposed on businesses and State and local governments by Federal regulations. These savings are estimated to total \$150 billion over a 10-year period. We have reduced the number of new regulations in every year I have been in office and have eliminated or reduced paperwork requirements by over 500 million hours. In addition, regulations are now more carefully crafted to achieve the greatest public protection for the least cost, and wherever possible to use market forces instead of working against them.

*Finally, user fees should be charged for services where appropriate.*—Those who receive special benefits and services from the Federal Government should be the ones to bear the costs of those services, not the general taxpayer. Accordingly, this budget im-

poses fees and premiums for Federal guarantees of loans, and imposes user fees and charges for Federal cost recovery for meat and poultry inspection, National park and forest facilities, harbor and inland waterway use, Coast Guard and Customs inspections, and for many other services.

### *Reform of the Budget Process*

Over the years, Federal spending constituencies have become increasingly powerful. In part because of their strong and effective advocacy, Congress has become less and less able to face up to its budgetary responsibilities. The Congressional budget process is foundering; last year it fell apart time and time again. The budget resolution and appropriations bills were months late in passing, and few real deficit reductions were achieved.

Gramm-Rudman-Hollings offers a significant opportunity to avoid many of these problems in the future. That act not only sets deficit targets leading to a balanced budget by 1991, it provides a mechanism for automatic spending cuts and incorporates certain reforms in the budget process itself. But Gramm-Rudman-Hollings does not go far enough in this regard. To meet the clear need for a greatly strengthened budget process, I propose a number of additional reform measures.

As before, I ask Congress to pass a balanced budget amendment to the Constitution. In addition, I continue to seek passage of a line item veto—authority now possessed by 43 of the Nation's governors. I also urge, for 1988 and beyond, changing the budget resolution to a joint resolution subject to Presidential signature and establishing binding expenditure subcategories within the resolution budget totals. Moreover, I urge that serious study be given to proposals for multiyear appropriations and to the development of a capital budget.

As I have pointed out time and again, there's not a State in the Union that doesn't have a better budget process than the Federal Government. We can—and must—do better.

### *Conclusion*

As I said in my address to Congress yesterday, the State of the Union is strong and

growing stronger. We've had some extraordinarily good years, and our economy is performing well, with inflation coming under control. Economic growth and investment are up, while interest rates, tax rates, and unemployment have all come down substantially. Our national security is being restored. The proliferation of unnecessary and burdensome Federal regulations has been halted. A significant beginning has been made toward curbing the excessive and unsustainable growth of domestic spending. Improving the management of the Government has been given priority and is achieving results. I think most Americans would agree that America is truly on the move!

The large and stubbornly persistent budget deficit remains as a dark and threatening cloud on the horizon. It threatens our prosperity and our hopes for continued healthy economic growth.

Congress has recognized this threat. It has mandated a gradual, orderly movement to a balanced budget over the next five years. The proposals in this budget are a blueprint for achieving those targets while preserving legitimate programs for the aged and needy, providing for our national security, and doing this without raising taxes.

I realize it will be difficult for elected officials to make the hard choices envisioned in this budget. But we must find the political will to face up to our responsibilities and resist the pleadings of special interests whose "era of power" in Washington must be brought to an end—for taxpayers as a whole can no longer be expected to carry them on their backs. All this will call for statesmanship of a high order. We must all realize that the deficit problem is also an opportunity—an opportunity to construct a new, leaner, better focused, and better managed Federal structure. Let's do it.

I look forward to working with Congress on meeting these formidable challenges. It is our job. Let's get on with it.

RONALD REAGAN

February 5, 1986

*Note: The President's budget message was printed in the report entitled "Budget of*



*the United States Government, Fiscal Year 1987—Executive Office of the President, Office of Management and Budget."*

## Message to the Congress Transmitting the Annual Management Report of the President *February 5, 1986*

The budget I am submitting offers a blueprint for reducing the deficit by curbing the growth of Federal spending without weakening our ability to carry out essential Federal responsibilities. One means of furthering this goal is to increase the cost-effectiveness of essential programs through improved management, enhanced productivity, and consolidations or diversion of activities now provided by the Federal Government.

My administration has devoted particular attention to improving the way the Federal Government's vast resources are managed. Of course, good management does not always yield immediate benefits, tends to be complex to define and implement, and does not easily capture the imagination of the public. Nevertheless, its pursuit is vital, and we shall be unfailing in our efforts.

In 1980, I promised the American people not only less government, but better government. To meet the goal of better government, in 1982 I initiated Reform '88—a program designed to modernize a Government that, in many respects, still relied upon technology and processes more appropriate to the 1960's than the 1980's. Now in its fourth year, Reform '88 has demonstrated that sound business practices can be brought to bear on Government programs, and yield positive results.

Already the results of Reform '88 are beginning to pay dividends to the American people. Let me just cite a few highlights of our recent efforts:

- Installation of the first comprehensive system to manage the Government's \$10 trillion annual cash flow. One impressive result is that 99% of all payments to firms doing business with the Government are made on time. Previously, 30% were made too late and 45% too early. Another result

is the replacement of cardboard checks by multicolored paper checks that are lighter in weight, easier to store, and more difficult to counterfeit.

- Initiation of a comprehensive program to manage better the \$257 billion Federal loan portfolio—which has \$24 billion in delinquent accounts.

- Coordination of our efforts to reduce waste and fraud, resulting in an estimated \$63 billion in improved use of funds since 1981.

- Elimination of useless or duplicative Federal publications—amounting to 150 million copies per year, or 25% of the total.

- Reduction of some 500 million hours required to complete Government forms.

- Avoidance of \$627 million in annual Government travel costs.

- Introduction of a simplified system that eliminates nearly 30,000 pages of procurement regulations.

- Curtailment of non-Defense civilian employment by over 78,000 full-time equivalents over 4 years, and

- Initiation of other service improvements, such as obtaining passports in 10 days rather than 4 weeks, and issuing Social Security cards in 11 days instead of 6 weeks.

The initial thrust of Reform '88 was to fix the most obvious problems first—controlling administrative costs, checking the spread of waste and fraud, reducing essential service backlogs, and installing modern financial management systems to control the cash flow and assets of the world's largest spender and lender. We have now embarked upon the tougher challenge that is the principal focus of this report: extending those ideas to a broader range of services the Government provides to the public. Accordingly, we expect significant additional

improvements in service delivery and cost savings as time goes on.

Management initiatives during calendar year 1985 reflected this evolution of emphasis. Consider the following measures designed to improve service delivery:

- *Productivity.* A comprehensive program was announced to boost employee productivity by 20% in selected Federal programs.

- *Payment Integrity.* New regulations were issued to help ensure that only those eligible receive entitlement payments, releasing program funds for others who qualify.

- *Procurement Reform.* A legislative proposal for a Simplified Competitive Acquisition Technique (SCAT) was advanced to reduce from an average of 224 days to 85 days the time it takes the Government to procure goods and services worth \$28 billion annually.

- *Credit Management Standards.* Exact-ing standards were established covering every aspect of credit management; the objective was to put rigor into Federal credit practices and make the Government truly a "lender of last resort."

- *Cash Management.* New regulations were issued to ensure adoption of the most effective cash management techniques throughout the Government.

- *Information Resources Management.* A broad policy framework was established for more effectively managing the Federal Government's information resources, which amount to over \$15 billion in cost and involve over 100,000 employees.

In addition, to make sure Reform '88 is carried out in the most effective manner, we've established two well-organized, inter-agency groups: the President's Council on Integrity and Efficiency (PCIE), and the President's Council on Management Improvement (PCMI).

The PCIE was created in 1981 and charged with spearheading the attack on fraud, waste, and abuse. This effort has been a special priority from the very beginning of my administration. Not only do fraud, waste, and abuse drain scarce resources, but their frequently exaggerated representation plays to the worst suspicions

of the public. Since its creation, the PCIE and the agency Inspectors General who comprise it have reported over \$63 billion in improved use of funds; moreover, they have reported 14,291 successful prosecutions and 14,146 administrative actions against Federal and contractor employees who have taken unlawful advantage of the Government. While fraud, waste, and abuse have not been eliminated entirely, we have made great strides toward winning the battle.

The PCMI is composed of the key management officials in large agencies and is leading the implementation of management improvements as well as looking ahead to identify possible problems and opportunities for the future. The Council also has overseen such major management initiatives as reducing the number of payroll and personnel systems, and is currently focusing on improved financial systems and implementation of my productivity improvement program.

Another important contributor to progress toward better management is the President's Private Sector Survey on Cost Control (PPSSCC), commonly known as the Grace Commission. The PPSSCC was established in 1982 to obtain advice from business leaders on where and how management of the Federal Government might be improved.

Included in this volume is a status report on the disposition of 2,478 PPSSCC recommendations. We have accepted or are in the process of implementing some 1,741, or over 80%, of the 2,160 unduplicated recommendations the Commission has produced. As with the PPSSCC recommendations proposed with the 1986 budget, all of those proposed with the 1987 budget require Congressional action to implement. The PPSSCC recommendations proposed with the 1987 budget have the potential of approximately \$69 billion in budget savings through 1991.

Our management emphasis has also been geared toward improving the efficiency of Government at all levels. One of the principal goals of my administration has been to streamline and restore the proper balance between Federal, State, and local roles. Ini-

tially undertaken in 1981 and greeted with skepticism, this program of "Federalism" has since garnered praise from the General Accounting Office, various professional and academic organizations, and, most importantly, from the States themselves. Since 1981, when 58 categorical programs were consolidated into 9 block grants, Federal paperwork burdens have been reduced from about 6.5 million hours annually to less than 600 thousand.

In part because of this success, I am recommending in this year's budget that additional specific Federal endeavors be turned over to State or local authorities. Provisions are made for additional block grants, especially in the areas of transportation and environmental protection; further relief from regulatory burdens; and simplification of requirements common to all agencies.

Last year we stated that support of Congress would be critical to full implementation of the administration's management improvement program. That support grows more necessary with each passing year. Congress now has before it 18 legislative proposals which fall into five categories: (a) reorganization, (b) prevention of fraud, (c) payment integrity and improved financial procedures, (d) procurement, and (e) reduction in regulatory and paperwork burdens.

In the months ahead, we will transmit to the Congress additional proposals designed to complete the management legislative agenda:

- The Intergovernmental Financing Act of 1986 would establish general guidelines to assure that States and the Federal Government accord each other the same equitable treatment with regard to the timing of transfers and the management of Federal funds;

- Amendments to the Truth in Negotiations Act would strengthen the Government's ability to enforce the Act, particularly with regard to a false statement by a contractor; and

- The Payment Integrity Act of 1986

would build on the 1984 Deficit Reduction Act's income and eligibility verification provisions to further reduce abuse in entitlement programs.

I urge the Congress to enact these proposals, as well as those submitted in 1985. In addition, I urge the removal of other barriers to better management, such as employment floors, prohibitions on the reform of field structures, and obstructions to cost comparisons with the private sector. These and other impediments make management reforms more difficult to effect and cost taxpayers and service recipients very dearly.

Of course, Congress already has enacted many key pieces of legislation contributing to effective management—particularly the Debt Collection Act, the Deficit Reduction Act, and the Federal Managers' Financial Integrity Act. We look forward to more progress in the immediate future.

Reform '88 is an ambitious management improvement program. Already it has had much success. But many items on its long-term agenda have not been achieved, and we must not rest until these reforms have been fully implemented.

The pressing need to reduce the deficit, and hence Federal spending, lends impetus to the pursuit of good management. But even absent the present fiscal difficulties, improved management would be a high priority for this administration. The Constitution is rooted in certain fundamental ideas, among which is the people's right to presume a capable, efficient Federal Government in return for taxes duly paid. It is their birthright, and affirming it will be one of my legacies.

RONALD REAGAN

February 5, 1986

*Note: The President's management message was printed in the report entitled "Management of the United States Government, Fiscal Year 1987—Executive Office of the President, Office of Management and Budget."*

## **Nomination of Arthur H. Davis To Be United States Ambassador to Panama**

***February 5, 1986***

The President today announced his intention to nominate Arthur H. Davis as Ambassador to the Republic of Panama. He would succeed Everett Ellis Briggs.

Since 1985 Mr. Davis has been a consultant and senior area adviser for Latin America and the Caribbean to the Department of State. He served as Ambassador to the Republic of Paraguay in 1982–1985. He was president of Arthur Davis and Associates, Inc., Denver, CO, in 1974–1982. From 1968 to 1977, he was president of Villa Enterprises, Inc., in Denver. He was director of public relations (1962–1963) and vice president (1963–1968) at Von Frellick Associates

in Denver. From 1964 to 1968, he was president of New Englewood Co., a subsidiary of Von Frellick Associates. He was a meteorologist with Pan American Grace Airways in Santiago, Chile (1945–1946), followed by United Airlines in Denver, CO (1956–1962). He served in the U.S. Army Air Force from 1942 to 1945, during which time he became a meteorologist, mainland and Alaska warrant officer.

Mr. Davis attended the University of Colorado from 1956 to 1958. He is widowed, has three children, and resides in Washington, DC. He was born October 6, 1917, in Brockton, MA.

## **Appointment of Baxter O. Sinclair as United States Representative to the International Advisory Commission for the Caribbean Region**

***February 5, 1986***

The President today announced his intention to appoint Baxter O. Sinclair to be United States Representative to the International Advisory Commission for the Caribbean Region. This is a new position.

Mr. Sinclair is president of the Sinclair Corp., a mechanical, utility, and pipeline construction company based in Gardena, CA. Prior to founding his own company he

worked for various construction companies, including Chicago Bridge and Iron, Bechtel, and Fluor Corp.

Mr. Sinclair attended Holmwood College and Monroe College (Institute of Trades), both in Jamaica, West Indies. He is married, has five children, and resides in Anaheim, CA. He was born July 10, 1938, in Jamaica, West Indies.

## **Remarks to Employees of the Department of the Treasury**

***February 5, 1986***

It's great to be here with you. Jim, it feels like old times except I keep thinking I should have brought something to give to somebody. *[Laughter]* And for you, Don, it must be like coming home again. And you've already—it's kind of been touched upon here that—speaking of old times, you may have heard that tomorrow is my birth-

day. Now, you know about that. I prefer to think of it as the 36th anniversary of my 39th. *[Laughter]* A few more of these and I'll be just about due for a midlife crisis. *[Laughter]* In fact, I'm thinking about a career change. *[Laughter]* Drop this political business and see if I can't do something different like radio or the movies. *[Laugh-*

ter] Maybe I'll give politics another 3 years.

Now, the first thing I want to do today is to thank you for all the time and effort that you've put into reforming our nation's tax code. The work has been complicated and hard and seemingly endless; some might even say you've been overtaxed. But unfortunately, we didn't get tax reform in time for this April 15th, but I am confident that the next time Americans have to sit down and pay their taxes, they're going to see a dramatic change for the better.

We'll still be needing your help in the months ahead keeping tax reform on track. As I outlined last night in the State of the Union, we'll be looking for several specific improvements to ensure that the final bill is profairness, profamily, and profuture. We'll want to see return of the full \$2,000 personal exemption for itemizers as well as non-itemizers—at least for those individuals in the lower and the middle-income brackets. Young families starting out in new homes beset with mortgage payments and all the costs of raising children urgently need the full exemption, and we're going to make sure they get it. Decades of inflation seriously eroded the value of the personal exemption and thrust an increasing share of the tax burden onto the shoulders of families with children. You might say that tax policy has made raising a family uneconomical, discouraging couples from having children or, if they do, forcing spouses, who might otherwise wish to stay at home, into the work force simply to maintain their standard of living.

We think it's about time the Federal Government stopped putting the squeeze on families. You know, if anyone gives you an argument on that \$2,000—that's, you know, up from \$600 to \$2,000—it's kind of interesting to note how the Government has been dishonestly getting tax increases without doing anything openly, because if we really made the personal exemption today equal in purchasing power to when it was 600, the exemption would be \$2,700. We're not even catching up with inflation in what we're asking. As far as the top rate is concerned, in our minds 35 percent is the right number—just exactly half of the 70 percent we started with 5 years ago.

A final bill must also include basic tax

incentives for American industry. And effective dates should be ironed out so that investment decisions aren't disrupted or delayed due to uncertainty. A minimum tax should make sure no corporations or individuals avoid paying their fair share. And finally, tax brackets must be fully consistent with our desire to reduce taxes for middle-income working Americans. True tax reform must give real tax relief to low-wage earners and the middle class. And we want to give all Americans a leg up on the ladder of success. We should all reflect on the dramatic, even revolutionary, change that tax reform represents. A consensus is forming in both parties that we must lower marginal tax rates in order to increase incentives and spur economic growth. Nothing succeeds like success, of course. And no one can any longer deny the success of marginal tax rate cuts and incentives in revitalizing the American economy and giving us 37 months of growth with low inflation.

One of Secretary Baker's great contributions is his emphasis on the global economy. He realizes that America's economy can't continue to race forward if our friends and allies are lagging behind. Many of the trade problems that we're experiencing today are caused by the imbalance between our dynamic low-tax economy and the sluggish high-tax economies of so many of our trading partners. Trade, the lifeblood of the world economy, is also hampered by wild and unpredictable fluctuations in exchange rates. We must work to promote the expansion of world trade and growth in the global economy by strengthening economic policy coordination among our industrialized trading partners.

As I mentioned in the State of the Union, I've directed Treasury Secretary James Baker to determine if the nations of the world should convene to discuss the role and relationship of our currencies. Many developing countries with large debts are in particularly dire straits, and we in the industrial world must assist them in dealing with their difficulties. We have championed free markets at home and have observed their success here and in many developing countries. We must encourage other countries to pursue these market-oriented, pro-

growth policies, rather than going the route of central planning—huge government projects and denial of property rights. In particular, we must encourage them to avoid high tax rates that only choke off incentives and slow growth. The plight of many developing countries is desperate and the call to action is urgent. So, let's begin now to spread hope and opportunity across the world by encouraging lower taxes, freer and fairer trade, and a sound monetary system.

I'm asking you to vigorously pursue implementation of our proposed program for sustained growth, to address problems of debt and declining growth in the developing countries. This program calls for increased lending by commercial banks and an expansion of loans by multinational banks conditioned on structural reforms, including tax reforms in the debtor countries. A healthy, expanding world economy is the best environment for a strong, secure, and growing America.

So, between tax reform, initiatives on the global economy, and your traditional and

essential enforcement activities, you're going to have your hands full here at Treasury. Working together, we can make 1986 the year that tax rate cuts opened wide the doors of opportunity at home and our program for sustained growth helped bring jobs, growth, and hope to many in the developing world. Working together, we can make 1986 a banner year for growth, stability, and prosperity.

And, again, I just want to say, I thank you all for the help that you've given and the part that you've played in the great economic recovery that we're having and the fact that we stand virtually alone in the world in having achieved these particular results. So, thank you all, and God bless you.

*Note: The President spoke at 1:11 p.m. in the Cash Room at the Department. In his opening remarks, the President referred to James A. Baker III, Secretary of the Treasury, and Donald T. Regan, Assistant to the President and Chief of Staff, both of whom had previously served in the other's position.*

## Remarks to Employees of the Department of Health and Human Services

February 5, 1986

Thank you very much, and I thank you for inviting me here today. It's very good to see all of you. I've tried over the years to make it a point to visit various executive agencies at the beginning of each year to talk about the future, and this is my first trip to HHS. I wanted to wait until my second term because the last two Presidents that visited here in their first term weren't reelected. [Laughter] We've just entered year 6 of an 8-year Presidency, and it's amazing to realize so much time has passed and so much work has been done. It seems like only yesterday that Nancy and I walked into the Executive Mansion for the first time after the 1981 inaugural. But there's so much left to do, so much before us; and that's what I wanted to talk to you about today.

This time of the year always tends to be a summing up time for me. It's been swearing-in time and the new year, every year, and the birthday, the 36th anniversary of my 39th birthday. [Laughter] I always think age is relative. There was once a very famous baseball pitcher, Satchel Paige. And no one quite knew how old Satchel was, but he still was throwing that ball. And somebody asked him about that, and his wise answer was, "How old would you be if you didn't know how old you were?" [Laughter] That's how I came up with 39. [Laughter] Well, the late Jack Benny had something to do with that. He was 39 for more than 40 years.

I want to give a special hello once again and a welcome-to-Washington to Dr. Otis R. Bowen. We're thrilled that Doc Bowen

agreed to make the sacrifice and leave his beloved Indiana to come here and help us. It won't be an easy job, Doc, but it's a job worth doing. And we thank you for serving your country like this.

Now, of all the executive agencies, it's possible that Health and Human Services is going to have the most challenging year ahead. What you do has such a direct impact on the American family, and it's the family that is at the center of many of our initiatives this year. I've just asked the White House Domestic Policy Council to present to me by the end of the year a total evaluation of all the Federal programs that we have to help poor families. We'll be looking at everything, the financial programs, educational programs, social and the safety concerns of these families. As you know, the current collection of programs designed to assist the needy spends nearly \$120 billion a year. But you also know how uncoordinated it's all become with many who are not poor receiving benefits intended for the poor. We're going to look at the entire process in an effort to bolster the family by putting it at the center where it belongs.

We have a lot of major initiatives ahead of us. We're going to move toward a more efficient health care system. And we're going to try to see if we can't help those who become victims of the terrible costs of catastrophic illnesses. Such a problem can deplete the life savings of many Americans, which would destroy the financial security of their families. As you know, I've asked Dr. Bowen to study how the private sector and government can work together on this problem and report to me by the end of the year. We continue to support the concept of prepaid health care. And we will seek legislation that emphasizes competition and broadening the type of health care plans that qualify as alternatives to traditional Medicare coverage. We will encourage private health care providers to develop less costly programs directed at maintaining health rather than treating the illness. And that's just part of what we'll be doing.

Are you tired already? *[Laughter]* Isn't it wonderful the way I say "we"—*[laughter]*—when so much of it's going to be you? *[Laughter]*

Well, we're going to take a good hard look at the high malpractice insurance premiums that doctors and others have to pay. And we're going to look at the practices that minimize malpractice exposure.

These are just a few of our plans, but I want to mention one more. One of our highest public health priorities is going to continue to be finding a cure for AIDS. We're going to continue to try to develop and test vaccines, and we're going to focus also on prevention. In this regard, I'm asking the Surgeon General to prepare a major report to the American people on AIDS.

Your plate is pretty full. But I know you're up to the job; you always have been. I want you to know that across town in the White House, we're aware of your good work, of how hard you work; and we appreciate it. And I just want you to know, we started a little revolution 5 years ago, and you've been in the trenches ever since. Don't think we don't know it and appreciate it. I want to thank you. You're heroes, and you're serving your country. And be good to Doc Bowen while he's getting his sea legs here. *[Laughter]*

I can't close without one story about doctors that he will understand very well. Have you ever noticed how easy it is if you're introduced to someone at a party or a dinner or something and he's introduced as doctor, and then there's always those people that suddenly start saying, "Doctor, I've been having . . ." Well, we had a fellow in show business, Moss Hart, the playwright, who was an inveterate along that line. And so, one night at a cocktail party in Hollywood he was introduced to a Dr. Jones, and almost immediately he started talking about, "I've been having this low back pain." And the fellow that introduced him said, "Moss, Dr. Jones is a doctor of economics." *[Laughter]* And that didn't stop Moss at all. He said, "Doctor, I was buying some stock the other day . . ." *[Laughter]*

I just—well, thanks again. God bless all of you. It's been great to be here.

*Note: The President spoke at 2:05 p.m. in the Great Hall at the Hubert H. Humphrey Building. Otis R. Bowen was Secretary of Health and Human Services.*

## Message to the Congress Reporting Budget Rescissions and Deferrals

February 5, 1986

*To the Congress of the United States:*

In accordance with the Impoundment Control Act of 1974, I herewith report seventy-seven new rescission proposals totaling \$9,945,651,335, twenty-seven new deferrals of budget authority totaling \$15,191,970,509, and fifteen revised deferrals of budget authority totaling \$7,663,442,822.

The rescissions affect programs in the Departments of Agriculture, Commerce, Education, Health and Human Services, Housing and Urban Development, Interior, Justice, Labor, Transportation, and Treasury, Funds Appropriated to the President, National Aeronautics and Space Administration, Office of Personnel Management, Appalachian Regional Commission, Corporation for Public Broadcasting, National Endowment for the Humanities, State Justice Institute, and the United States Railway As-

sociation.

The deferrals affect programs in the Department of Commerce, Defense—Military and Civil, Energy, Health and Human Services, Housing and Urban Development, Justice, Labor, Transportation, and Treasury, Funds Appropriated to the President, the Commission on the Ukraine Famine, the Railroad Retirement Board, and the United States Information Agency.

The details of these rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN

The White House,  
February 5, 1986.

*Note: The attachment detailing the proposed rescissions and deferrals was printed in the "Federal Register" of February 18.*

## Remarks at the Annual National Prayer Breakfast

February 6, 1986

In all the 36 anniversaries of my 39th birthday, this has certainly been—[*laughter*—the most memorable. George, Barbara, all of you up here on the top shelf together with me and all of you ladies and gentlemen, I am enormously touched. Yes, today is my birthday. Seventy-five years ago, I was born in Tampico, Illinois, in a little flat above the bank building. We didn't have any other contact with the bank than that. [*Laughter*] Now, here I am, sort of living above the store again. [*Laughter*]

I'm very happy to be here. And I'd like to begin the remarks that I have with something that I did mention last year, so those of you who are here forgive me, because I'd like to touch on it again. It has to do with the history of this breakfast and the groups associated with it. The story begins in 1942, at the height of World War II. In those days

there were a handful of Senators and Congressmen who'd get together now and then to talk about their lives and their jobs and how things were going for them. And one day they talked about how they might be of greater personal and spiritual support to one another. They decided it would be a real help if they could occasionally gather and pray together. And so they began to pray together.

In time, in both the House group and the Senate group, some very important informal rules evolved. The Members would meet in the spirit of peace and in the spirit of Christ. All Members would be welcome, regardless of their political or religious affiliation. There was room enough for sincere seekers and the deeply devout. They'd never publicize the meetings, and they'd never use them for political gain. But most



important, the Members would be able to talk about any problem on which they needed guidance, any sadness for which they needed prayers. And everything would be off the record, so no one would have to worry about the betrayal of a confidence. Well, the two groups, one in the House and one in the Senate, met quietly like this for 10 years.

And then President Eisenhower came into the story. One night in 1952 during the Presidential campaign, Dwight Eisenhower confided something to one of his advisers, a close friend, Senator Frank Carlson. And Eisenhower told him that during the war when he was commanding the allied forces in Europe, he'd had a startling and vivid spiritual experience—he had actually felt the hand of God guiding him, felt the presence of God. And the general told the Senator that this experience and the support of his friends had given him real spiritual strength in the hard days before D-day. Senator Carlson said he understood. He, himself, was getting spiritual help from the Members of a little prayer group in the Senate. And a few months later, the general, who was now the President, asked Frank Carlson over to the White House. And he told him, "Frank, this is the loneliest house I've ever been in." Carlson said, "Mr. President, I think this may be the right time for you to come and meet with our prayer group." And Eisenhower did just that. In 1953 he attended the first combined prayer breakfast.

And ever since, Presidents have been coming here for help and assistance—and here I am. The prayer meetings continue, as I'm sure you know, in the Senate and in the House. Other prayer meetings have sprung up throughout the Government in every branch. And other fellowships have spread throughout the capitals of the world and parliaments and congresses far away. This is good news, isn't it? A cause for joy. And every year when I come here I think, "Isn't it something that this good, strong thing came out of a war?" Out of a tragedy came a triumph. That's a saving grace about sadness. Sometimes the very tears you shed can moisten the soil from which great things will grow. I think the playwright Eugene O'Neill was touching on this when

he said, "The impulse of tragedy is on to life and more life."

Last week, when the shuttle exploded, we hadn't, as a nation, had a tragedy like that that we actually witnessed it as it happened. And as I watched the coverage on television, I thought of a poem that came out of a war. And it became literally the creed of America's flyers all over the world. I quoted a line from that poem when I spoke on TV the night of the tragedy. That poem was written by a young man named [John G.] Magee. He was 19 years old, a volunteer in the Canadian Air Force. He was an American, but he'd gone there before our country was in the war. He was killed 4 days after Pearl Harbor, but he left something that does live on—that poem. It says:

"Oh, I've slipped the surly bonds of earth  
and danced the skies on laughter-silvered wings.

Sunward I've climbed and joined the  
tumbling north of sun-split clouds and  
done a hundred things you have not  
dreamed of.

Wheeled and soared and swung high in  
the sunlit silence, hovering there I've  
chased the shouting wind along and  
flung my eager craft through footless  
halls of air—up, up to the long, delirious  
burning blue I've topped the wind-  
swept heights with easy grace, where  
never lark or even eagle flew.

And while with silent lifting mind, I've  
trod the high untrespassed sanctity of  
space, put out my hand and touched  
the face of God."

I used to think it was a poem about the joy of escaping gravity, but even more, it's a poem about joy. And God gave us joy; that was His gift to us. We've all been sad the past week, and yet there was something good about the way we wept together as we said goodbye and suddenly re-remembered that we are a family. And now the time has come to remember the words of the Bible, "Weeping may endure for a night, but joy cometh in the morning." A minister who spoke at the memorial service the other day said he hoped we all remembered not just the grief but the grandeur and the grace of life. Much of that grandeur

comes from the joy that God gave us.

All of us know of that wonderful individual, Mother Teresa, that living saint. If you've ever met Mother Teresa, you know what I mean. She's probably thrust into your hand a pamphlet telling you to love Christ. She wouldn't mind my saying that she's no longer young. If she were here she'd say, "Look who's talking." [Laughter] But she is no longer young, and she's not always well. But she's inexhaustible. You may have heard of her trip to Ethiopia at the height of the famine. She got there after a terribly long journey, but went without pause straight to a food distribution center. Thousands of those people crowded around her trying to touch her. She stood there and shook hands, 10,000 of them. And later she was asked, "How could you do that? Weren't you exhausted?" And she said, "It's my faith that feeds me."

Well, sometime back, a Senator approached her when she was visiting Washington and said, "Mother, the problems of the world are so terrible and things look so bad, what can we do?" She said, "Love God." Different things impel different people. Mother Teresa is impelled by joy. She sings like a woman in love and she is—in love with God. She's a great example of the truth of a great paradox: that mankind can find freedom only in surrender, joy only in submission, wealth only in what we give away, and safety only in a promise—God's promise of life everlasting.

Mother Teresa shines with joy in spite of the fact that she spends so much of her time in the unhappiest places on this Earth. If you look at the world stage, you don't see a lot to make you glad, but in the midst of hellish circumstances—in Mexico after the

earthquake, in Ethiopia during a famine, in South Africa and Angola and Nicaragua—in all those painful places we still see joy, God's gift, and the energy that it gives.

There are perhaps 3,000 of us here in this room. The wealthy and the powerful, those who've known neither wealth nor power. We have teachers here and diplomats, inmates from a local reformatory, captains of industry are here and so are just moms and dads and insurance salesmen and people that do things like that—such diverse lives. And yet we all have in common the usual problems of life, the usual difficulties. And we're trying to achieve some kind of happiness while, in the process, causing as little pain to others as possible. We have so much in common—we share an anchor that roots us in the heavy seas, and that anchor is the joy that God gave us. Let our thoughts today be of how man harnesses his sadness and turns it into triumphant work. And that's what I wish for all of us in this room—that in our individual work this year, we will fight on for what's right and good and resist the badness that is in us and that we'll do it with joy, because God gave that as a gift to be used.

If I had a prayer for you today, among those that have all been uttered, it is that one we're so familiar with: The Lord bless you and keep you; the Lord make His face to shine upon you and be gracious unto you; the Lord lift up His countenance upon you and give you peace.

Thank you, and God bless you all.

*Note: The President spoke at 9:21 a.m. in the International Ballroom at the Washington Hilton Hotel. In his opening remarks, he referred to the Vice President and Mrs. Bush.*

## Remarks on Signing the Message on America's Agenda for the Future and the Annual Economic Report of the President February 6, 1986

*The President.* Thank you all for coming in. Tuesday night, as you know, I spoke to the Nation in the State of the Union Ad-

dress on our plans and hopes for the future. A document I'm about to sign here that—in a sense, a blueprint of those plans. Taken

together, this message and the fiscal '87 budget that I submitted yesterday constitute a detailed declaration of our legislative and administrative agenda, an agenda for the future.

I believe this document and the plans it contains reflect the basic and unchanging intentions of our administration to ensure the growth of an expanding economy, to see to it that every American who wants a job can get a job, and to keep in the hands of our citizens as much of their own earnings as we can. It repeats our intention to cut the growth of Federal spending and thereby reduce the Federal deficit. We'll continue to work with the Congress to produce tax reform that is really reform, and we'll also continue to pursue reform of our welfare system.

In the area of foreign relations, we've made our goals clear: continued harmony with our allies, renewed progress toward a more stable peace with our adversaries, and increased respect for human rights everywhere. We've also made it clear, and I'm eager to stress today, that our desire to cut the budget will not be allowed to collide with our need for a strong defense. Gramm-Rudman-Hollings will be used as a shovel to dig us out of the results of deficit spending. But we will not allow it to be used as a cannon pointed on our real and legitimate defense needs. We've also made it clear that our commitment to help freedom fighters throughout the world continues unabated. We know what's happening in Afghanistan, Cambodia, Angola, and Nicaragua; and we support the efforts of those who continue, with little help from the world, to fight a lonely struggle against the enemies of freedom and human rights.

Our commitments and our desires remain essentially unchanged from 1981. We expect our economic progress to continue, and we expect a similar progress in a number of areas, from the search for a security shield to protect us from nuclear missiles to encouraging real effort at increasing economic freedom in the less advanced countries of the world.

So, now I will sign this document. How about that? I have a pen that writes more than one word.

[At this point, the President signed a message to the Congress outlining America's agenda for the future.]

And I'm also happy to sign today the Economic Report of the President. It details the facts of the robust economy that will continue to grow.

And before you go, I—incidentally, I heard a reference to my age this morning. I've heard a lot of them recently. I did turn 75 today, but remember, that's only 24 Celsius. [Laughter]

[At this point, the President signed the Economic Report.]

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### Federal Budget

*Reporter.* Mr. President, Tip O'Neill says your new budget is a disgrace, and he wants you to explain to the country why your top priority is to get to Tokyo in 2 hours.

*The President.* That isn't a top priority; that is just another evidence that I've given that we are continuing with the progress that we've made in space and moving forward in fields of that kind in technology. And I don't see anything disgraceful about a budget that is spending almost a trillion dollars, and yet at the same time is starting to move under the laws they adopted to balance the budget.

*Q.* He says that he would be willing to meet with you to work out a compromise, but he says he doesn't think it would do any good, that you don't want a compromise.

*The President.* Well, I'm always happy to meet with Tip, and I'm looking forward to keeping in communication with Members of the Congress at the House and the Senate on this. We've submitted the budget; it is there. The next step is theirs to see whether they—what they want or don't want. But as I say, we've worked long months on this, and we believe it's a budget that will do what the law is asking us to do finally. And I think it'll behoove some who, for a quarter of a century or more, have been admittedly running deficits with no effort or intention at all to ever eliminate deficit spending.

*Q.* The Democrats say it's dead on arrival, sir.

*The President.* Well, they may have pre-judged there. We'll give it artificial respiration.

*Q.* Thank you, sir.

*The President's Birthday*

*Q.* Happy birthday!

*Q.* Happy birthday!

*The President.* Thank you.

*Q.* How does it feel to be 75 years of age?

*The President.* Well, Sam [Sam Donaldson, ABC News], the funny thing is, it seems only like 39 to me.

*Q.* Well, you look 39, I'll say that. [Laughter]

*The President.* You're my favorite fellow. Thank you. [Laughter] You've made my day.

*Q.* What do you want for a birthday present?

*The President.* What?

*Q.* What would you like for a birthday present?

*The President.* I'd kind of like some of these things that we're doing to be accomplished and further advances to peace. I don't have any other needs than that.

*Q.* What about just personal thoughts—when you realize that you've lived three-quarters of a century, Mr. President—more than a third of the Nation's history?

*The President.* Well, I don't know. Looking back on it, I'm a little amazed at our generation, and I make no apologies for them, because I can well remember in my own mind that our generation has seen us move from the horse and buggy to a plane; that we think can get to Tokyo in 2 hours in a single lifetime.

*Q.* And what is Mrs. Reagan giving you for your birthday? Do you know?

*The President.* The only thing I know is a party. [Laughing] No, we've—as I say, I've—we sit down and talk about things that maybe we both mutually want when our birthdays and such events come along anymore. So, we haven't figured anything out yet.

*Q.* You mean, like a pickup truck?

*Q.* Manure spreader?

*The President.* We've got that and—you know, the manure spreader is still new and—

*Q.* We've already talked about Tip. I mean, that's not necessary—

*The President.* What?

*Q.* About Tip O'Neill.

*The President.* Yes. It—I'd like his—that would be a great present; his approval of everything we've done.

*Q.* No coaching. [Laughter]

*Q.* Sir, did Gorbachev send you a message which—they read some messages, but they didn't mention one from Gorbachev.

*The President.* I—yes, I think there has been one.

*Mr. Speakes.* I don't know. I didn't get a copy.

*The President.* I can't tell you. That package they gave me this morning, that gift, was 100 letters from heads of state throughout the world, and very obviously I haven't had time to go through the 100 letters yet.

*Philippine Presidential Election*

*Q.* Any thoughts on the Philippine election which begins within hours?

*The President.* Just—only that the Philippines and the United States have had an historic friendship for many years, and we want it to continue. And when they have made their decision, which is theirs to make, as to the future government, why, we will seek to go along with their decision and to maintain our relationship with the Philippines.

*Q.* Mr. President, when you ran for office, you certainly made a lot of—you were very successful, in large measure because you were so successful on television. I wonder how you feel about Mrs. Aquino not having the kind of access to Filipino television that you had to American television. Could you have won your election in 1980 without being able to get on television as frequently as you were?

*The President.* Well, we'd like to see the whole world have the same democratic principles we do, but I don't think it's right for me to criticize their method of conducting the election.

*Q.* Are you concerned their elections have already become tainted, Mr. President?

*The President.* Again, I'm not going to comment on their internal affairs. I don't

think it would be becoming of a head of state of another country to do so.

*Q.* Well, how will you judge afterward whether those elections were free and fair?

*The President.* That's up to the people of the Philippines to decide.

*Q.* Well, we would still want to maintain our bases there under a new agreement, would we not, sir?

*The President.* Yes, and as I say, when they've made their decision as to their government, the people of the Philippines, we would hope to have the continuing friendship and relationship that we've had for so many years.

*Q.* Because Mrs. Aquino has suggested that she won't promise in advance to renegotiate those base contracts.

*The President.* We'd have to deal with that then if she was in a position to have something to say about it.

*Q.* Thank you.

*Note: The President spoke at 11:05 a.m. in the Oval Office at the White House. Members of Congress and administration officials attended the ceremony. Larry M. Speakes was Principal Deputy Press Secretary to the President.*

## Message to the Congress on America's Agenda for the Future February 6, 1986

### I. INTRODUCTION

On Tuesday night, I came personally before the Congress to review with you the progress of our Nation, to speak of unfinished work, and to set our sights on the future. In that address, I spoke of an America on the move—stronger than a year ago and growing stronger every day.

Almost 5 years ago I addressed a previous Congress and spoke of the need for policies that would promote economic growth and expansion, reduce the intrusion of government in areas where its role had grown too large, and strengthen our defense capabilities in order to protect the peace and fully meet our global commitments. These goals and that agenda have not changed, and although we have made significant progress, the work is not yet finished.

In addition to the proposals contained in my budget for FY 1987, this message—an *Agenda for the Future*—spells out in greater detail how we as Americans can continue to make progress in each of these areas and successfully meet the challenges of the next decade, the year 2000, and beyond.

### II. PREPARING FOR A DECADE OF ECONOMIC GROWTH

Today, we see an American economic renaissance. Tax cuts, deregulation, and low

inflation have freed the entrepreneurial genius of the American people, returned incentives to our economy, and powered 37 months of economic expansion. Sunrise firms light our horizons, while technology modernizes our factories and makes America more competitive in the international marketplace.

But this is only the beginning. Now is the time to build a solid foundation for a decade of economic growth—growth that will give us a full employment economy, with real jobs for all Americans from the sidewalks of Harlem to the shores of Hawaii. Now is the time to lay the groundwork for an ever-expanding economy that leads the world in innovation, performance, and productivity.

#### *Budget and Budget Process Reform*

The future beckons; we cannot let ourselves be held back by the growing burden of out-of-control Federal spending. Our FY 1987 budget meets the Gramm-Rudman-Hollings deficit targets while still fulfilling essential Federal responsibilities to Social Security, the truly less fortunate, and our national defense, without a tax increase.

Gramm-Rudman-Hollings can make a dramatic improvement. But experience shows that simply setting deficit targets

does not assure they will be met. We must begin now to put the budget process itself back in working order. An executive line-item veto will restore balance to the budget process and ensure that wasteful spending does not occur under the cover of appropriations bills.

Once we have made the hard decisions and gotten our budget down to size, we should lock in our gains with a balanced budget amendment to the Constitution—so that Government spending can never again grow out of control, threatening our economic well being and dreams for the future.

It is clear that the budget process is not working well. I hope to be able to work with the Congress, on a bipartisan basis, to make it both more efficient and less time consuming. For FY 1988 and beyond, I suggest changing the budget resolution to a joint resolution subject to Presidential signature and establishing binding expenditure subcategories within the resolution budget totals. In addition, serious study should be given to proposals for multi-year appropriations and to the development of a capital budget.

We will continue to improve the quality and efficiency of Federal management, and will work with the Congress to obtain legislation to fully implement our management improvement program. We have proposed legislation to extend the President's executive branch reorganization authority; improve Federal productivity; streamline financial management; prevent fraud; reduce error rates in benefit programs; and reduce regulations. We will also continue to work with the Congress on supplemental retirement system legislation for newer Federal employees and certain elected and appointed officials now covered only by Social Security.

#### *Tax Reform*

Our first tax cuts opened the way to prosperity; now is the time to fire the engines of growth with tax reform that is pro-fairness, pro-family, and pro-future. The House of Representatives has taken an historic first step; let us join together and go the distance. First, we must promise the American people never to betray their hopes for tax

reform with a tax increase in disguise. True tax reform must be truly fair and make us more productive and competitive internationally, and that means raising the personal exemption to \$2,000 for both itemizers and non-itemizers, at least for those individuals in the lower and middle income brackets; basic tax incentives for American industries, including those which depend upon heavy capital investment in equipment and machinery; effective dates which erase doubt and apprehension in the minds of those who must begin to plan for investments; a minimum tax which allows no individual or business to escape paying a fair share of the overall tax burden; a rate structure with a maximum no higher than the 35 percent I proposed; and tax brackets that are fully consistent with our desire to reduce taxes for middle income working Americans. I look forward to continuing our work with the Congress to enact this most important measure.

#### *Antitrust Reform*

If America hopes to compete successfully abroad, we cannot bind the hands of American business and industry at home. Therefore, we are asking the Congress to remove unreasonable constraints on U.S. competitiveness by reforming our Federal antitrust statutory framework to reflect the global nature of our markets. These changes will enhance the vigor and competitiveness of American businesses, while continuing to protect American consumers and businesses from adverse effects of practices such as monopolies, cartels, and price-fixing.

#### *Product Liability Reform*

The need for reform in the area of product liability is an important matter that affects businesses, including some who might no longer be able to afford product liability insurance, and consumers, who may pay higher prices for products or lose the availability of certain products altogether. We will continue to work with the Congress to establish a uniform standard of product liability that is fair to consumers and manufacturers alike.

#### *Free and Fair Trade*

As we knock down barriers to growth, we

must redouble our efforts for freer and fairer trade. We have already taken actions to counter unfair trading practices and to open closed markets abroad. We will continue to do so. We will also oppose legislation touted as providing "protection" that in reality pits one American worker against another, one industry against another, one community against another, and that raises prices for us all. I believe that if the United States can trade with other nations on a level playing field, we can out-produce, out-compete, and out-sell anybody, anywhere in the world.

Trade is the life blood of the global economy. Growing world markets mean greater prosperity for America and a stronger, safer, and more secure world for the family of free nations. We will continue to work to promote a free, fair, and expanding world trading system by continuing to seek legislation authorizing a \$300 million fund for combating predatory tied aid credits by other countries. In addition, we will propose legislation to strengthen and broaden protection of intellectual property. We will continue to work with the Congress to put into place other changes that reflect the principles and policies of free and fair trade.

We will continue to enforce vigorously the laws that protect against unfair trade, in particular Section 301 of the Trade Act of 1974 and the anti-dumping and countervailing duty laws. The Strike Force on Trade will continue its efforts to identify unfair foreign practices.

We will aggressively renegotiate the Multi-Fiber Arrangement (MFA), currently scheduled to expire July 1, 1986, on terms no less favorable than present. We are consulting with the U.S. textile and apparel industries to ensure that their views will be represented during these negotiations.

We will continue the market-oriented sector-selective (MOSS) talks, working with the Japanese to identify all the trade barriers in specific sectors and encouraging the Japanese to remove them. The talks are making progress and markets are opening up in telecommunications, pharmaceuticals, and other sectors. We will continue to press for the removal of barriers in these and additional sectors. We also welcome Prime

Minister Nakasone's expressed determination to move toward the restructuring of Japan's export oriented economy.

Our Administration is also working vigorously to launch a new round of multilateral trade negotiations through the Preparatory Committee established last November by the GATT. Under the leadership of the U.S., the Preparatory Committee is developing the framework for negotiations that would strengthen the international trading system, eliminate unfair trade practices, and address major new problem areas in international trade such as services, intellectual property protection, and investment.

Our Administration hopes to begin discussions with Canada, our largest trading partner, to enhance freedom of trade between our two countries. We will work with the Congress to assure that a mutually beneficial agreement can be achieved.

In addition, we will engage some of our major trading partners in discussing the idea of establishing a multinational or regional patent office. Such an office could provide a higher level of common patent protection, including coverage and terms, and establish a more efficient system for gaining patent protection beyond United States borders.

Further, we will work to correct the deficiencies in the new farm bill, including: the provision mandating a reduction in the amount of sugar permitted to enter the United States; the 3-year payment-in-kind bonus export program; and the new dairy program, which taxes milk producers to fund a program that obligates the Government to pay farmers to liquidate their dairy herds and to buy the meat in order to support prices.

### *The Global Economy*

Today, America is part of a global economy. The constant expansion of our economy and exports demands a sound and stable dollar at home and reliable exchange rates around the world. It also demands that our trading partners grow along with us.

We cannot race forward to the future if our friends and allies are lagging behind. Many of the trade problems we are experiencing today are caused by the imbalance

between our low-tax, high-growth economy and the high-tax, low-growth economies of so many of our trading partners. Our dynamic, expanding economy is hungry for goods from abroad; but economies still suffering under excessive taxation, over-regulation, and top-heavy government simply cannot afford to buy from us.

Our Administration is working to promote growth in the world economy by strengthening economic policy coordination among our industrialized trading partners. I have directed Treasury Secretary James A. Baker III to determine if the nations of the world should convene to discuss the role and relationship of our currencies.

Many of the developing countries, where large debts further oppress struggling economies, are in particularly dire straits. Our Administration will vigorously pursue implementation of our proposed "Program for Sustained Growth" to address problems of debt and declining growth in the developing countries. This program calls for increased lending by commercial banks and an expansion of loans by multilateral development banks conditioned on structural reforms, including tax reforms, in the debtor countries.

I am looking forward to meeting with the other leaders of the industrialized nations at the Economic Summit this spring in Japan to discuss ideas and policies that can make the global economy stronger. These policies include removing structural rigidities in our economies that impede the capital and labor markets and improving the working of the free trade system, while resisting protectionism.

#### *Employment Opportunities for All*

Over 9 million new jobs have been created during the recovery and expansion. But more remains to be done, because no American can ever be left behind.

We will continue efforts to give American youth, particularly minority youth, job opportunities and a chance to develop essential job skills with a summer Youth Employment Opportunity Wage.

We will again seek Enterprise Zone legislation that provides Federal regulatory and tax relief to encourage jobs creation, economic development, and renewed hope in

distressed areas. Seeing our National Enterprise Zone legislation stymied for 4 years in the House of Representatives, the American people have taken the initiative themselves, and now State and local Enterprise Zones are springing up all over the country, creating thousands of new jobs. Imagine the good that could be done if the House of Representatives caught the enterprise spirit and enacted Enterprise Zone legislation in 1986?

The Departments of Labor and Education have joined forces to more closely coordinate between the job training and education programs administered by the two departments. Our objective is to eliminate duplication and, at the same time, provide a broader range of assistance to individuals. We have already achieved progress in linking job training and apprenticeship with vocational education. Plans are underway to extend this partnership to many training and educational services in the community.

We will work with the Congress to use the Jobs Training Partnership Act to help American workers displaced by imports, adjust, develop new skills, and find new jobs through job search, training, and relocation assistance.

#### *Deregulation*

Deregulation is one of the great success stories of the 1980's. From plunging oil prices to lower airfares and consumer prices, deregulation has allowed free markets to work and consumers to receive the benefits. We will move forward to liberate the vital American economy from the grip of unnecessary regulation by:

—Continuing to work with the Congress to develop and implement proposals improving the safety, soundness, and competitiveness of the financial services industry, including reforms in Federal deposit insurance and regulatory frameworks.

—Continuing our support of legislation to eliminate virtually all remaining Federal regulations covering the trucking, freight forwarder, and domestic water carrier industries, excepting those regulations mandating safety and insurance obligations.

—Seeking, in the field of energy, to completely deregulate the pricing of natural gas



and to reform regulation of its transportation, and to remove the burden of unnecessary price regulation from the large part of the oil pipeline industry that is fully competitive and where regulation only increases costs and serves no useful public purpose.

—Continuing to seek legislation for standardized designs for nuclear power plants and to simplify the licensing process and provide a stable, predictable process that encourages nuclear plant construction and that offers consumers reliable, economic, and environmentally sound electricity.

### *Privatization*

Over the past 50 years, the public sector has assumed many activities that are similar to, or even the same as, those done by the private sector. But when the private sector can deliver service more efficiently than the public sector, as it can with Conrail, then the Government must step aside. State and local governments have been in the lead in contracting out such public services as garbage collection, street cleaning, and even prison services to the private sector. Not surprisingly the result has been reduced costs and better service. The FY 87 budget proposes to return some Federal activities to the private sector. We will also be considering other new opportunities to take advantage of the incentives for efficiency available in the private sector.

### III. DEFINING OUR VALUES FOR A MODERN AGE

As we work to make the American dream real for all, we must adhere to traditional values, keep our faith in God, and put our trust in people, rather than in the Government, to solve the problems before us. We must continue to advance the education of our youth and provide for a safe, secure, and prosperous future for American families. Through a recommitment to our fundamental values, we can achieve a collective vision for a rising America—now, and for the future.

### *Education*

Parents have a natural and inalienable right to educate their children, publicly and privately, as they see fit, and that right

should be recognized and encouraged. If education reform is to be lasting and effective, we must rededicate ourselves to the viability of education administered at the local and State level. It is with this in mind that I am supporting the legislative and administrative recommendations outlined below.

Our Administration has advanced The Equity and Choice (TEACH) legislative proposal aimed at expanding opportunities for educationally disadvantaged children. It will increase opportunities for parents to choose a school that best meets the needs of their children; foster diversity and encourage innovation by introducing the element of competition among schools; and increase private sector involvement in providing education to disadvantaged children.

Our Administration will again seek Federal tuition tax credits for parents who send their children to private elementary and secondary schools. These credits will foster more choice, improve the quality of both private and public schools, and treat more fairly parents exercising educational choice.

Our Administration seeks to expand State and local flexibility to use Bilingual Education Act funds for whatever instructional approaches will best meet the needs of children with limited proficiency in English. The Education Department has already proposed new regulations to give localities the full degree of flexibility allowed under the current law. We will also propose legislation to remove the remaining statutory impediment—the 4 percent limitation on funding for special alternative programs.

We will ask the Congress for amendments to the Higher Education Act to restructure Federal student aid. This program must be made more cost effective. It should be structured to give needy students greater flexibility and choice in financing their post secondary education. We again propose establishing an Education Savings Account that will exclude from taxable income the earnings on any savings deposited in a special account for post-secondary education. Such a provision would increase the self-sufficiency of parents and students and strengthen our higher education system.

Our Administration will seek legislative

amendments retargeting teacher development and retraining funds. The focus of this funding should be on improving the quality of our Nation's elementary and secondary school teachers.

There is currently a staggering and wholly unacceptable number of illiterate Americans. Much illiteracy can be traced to poor methods of teaching reading. Education Secretary Bennett will cooperate with other Cabinet officers to improve the administration of the more than 70 Federal programs aimed at improving literacy in our country. They will make sure that the most cost effective methods of teaching reading are used where Federal programs are involved. This will lead to reduced costs and improved literacy.

The Federal Government has a significant role in providing useful and reliable information to the American people about education. Armed with such information, our citizens can be trusted to improve the education of their children. Secretary Bennett will soon release a report, *What Works*, that will be a notable landmark in this effort.

### *Welfare*

I have charged the White House Domestic Policy Council to present me by December 1, 1986, an evaluation of programs and a strategy for immediate action to meet the financial, educational, social, and safety concerns of poor families—a strategy for real and lasting emancipation.

As we work to make the American Dream real for all, we must also look to the condition of America's families. Struggling parents today worry how they will provide their children the advantages their parents gave them. In the welfare culture, the breakdown of the family, the most basic support system, has reached crisis proportions—in female and child poverty, child abandonment, horrible crimes and deteriorating schools. After hundreds of billions of dollars in poverty programs, the plight of the poor grows more painful. But the waste in dollars and cents pales before the most tragic loss—the sinful waste of human spirit and potential.

An effective pro-family anti-poverty program must both meet the legitimate subsist-

ence needs of the poor and create an environment leading to less poverty and less dependence on Government support. The current collection of programs designed to assist the needy costs nearly \$120 billion annually. Yet we have almost 30 million people still in poverty and these programs are run in such an uncoordinated fashion that many who are not poor receive benefits intended for the poor. Moreover, by failing to promote self, family, and community responsibility, these programs encourage dependency and entrench the very poverty they were intended to alleviate.

We can ignore this terrible truth no longer. As Franklin Roosevelt warned 51 years ago: Welfare is "... a narcotic, a subtle destroyer of the human spirit." And we must now escape the spider's web of dependency.

I look forward to the Council's report, and then working with the Congress to revamp this very important area of government services.

### *Health*

America's health care system is the finest in the world. More people receive better health care services here than anywhere else in the world. Further improvements should build upon the fundamental strengths of this system, leaving the provision and financing of most health care services in the private sector.

Our health care system, however excellent, is also extremely expensive, and costs continue to rise rapidly. A primary reason for the escalating cost of health care is that adequate incentives for keeping costs down were not built into the system, and there has been a lack of competition in the field of health services. We made a significant improvement with the Prospective Payment System for hospitals under Medicare, implemented in 1984. As a result, health care spending increases have slowed.

Appropriate Federal Government action can lead to a more efficient health care system. To accomplish this we must rely on market forces to produce the level of services the consumers desire to buy, at the quality and cost they will accept. In a time of overall budget restraint, health care

spending is not and should not be exempt. Therefore, any new programs should be fully financed and should not increase the budget deficit.

After seeing how devastating illness can destroy the financial security of a family, I am directing Secretary of Health and Human Services, Dr. Otis Bowen, to report to me by year-end with recommendations on how the private sector and Government can work together to address the problems of affordable insurance for those whose life savings would otherwise be threatened when catastrophic illness strikes.

Our Administration will continue to support the concept of prepaid health care, and will seek legislation emphasizing competition and broadening the types of health plans that qualify as alternatives to traditional Medicare coverage. Our Administration will encourage private health care providers to develop less costly plans and programs directed at maintaining health rather than treating illness, including those that call for a fixed annual payment for a given benefit package.

Our Administration will initiate a major study of high malpractice insurance premiums paid by health care providers and practices that minimize malpractice exposure. We will look for ways to reduce the impact of medical liability on health care costs while retaining quality care.

We will continue, as a high priority, the fight against Acquired Immune Deficiency Syndrome (AIDS). An unprecedented research effort is underway to deal with this major epidemic public health threat. The number of AIDS cases is expected to increase. While there are hopes for drugs and vaccines against AIDS, none is immediately at hand. Consequently, efforts should focus on prevention, to inform and to lower risks of further transmission of the AIDS virus. To this end, I am asking the Surgeon General to prepare a report to the American people on AIDS.

Our Administration will accelerate the processes for bringing safe and effective new drug therapies and new medical devices to ease pain and suffering of millions of Americans while providing consumers with more choice at less cost. We will continue nationwide protection programs to

ensure that approved food, drug, and device supplies are safe. Education and other forms of prevention will be stressed.

### *Justice and Public Safety*

Our system of justice is dedicated to and guided by the belief that the Constitution creates a government that is both limited and energetic. The Constitution carefully enumerates the powers the Federal Government may wield. But where the power is legitimately given, the Constitution also provides the means for a forceful and energetic execution of the law. We are committed to bring the full force of the law to bear on those who transgress its prohibitions or ignore its commands.

In carrying out our laws, we have four priorities. First, to protect the law abiding from the lawless with due and careful deference to the constitutional rights of all citizens. Second, to safeguard individual privacy from improper governmental intrusion. Third, to defend vigilantly and energetically the civil rights of all Americans. And fourth, to promote legal and regulatory structures designed to conserve and expand economic freedom.

In this regard, our Administration will continue to seek legislation to:

- Restore constitutional procedures to impose capital punishment for especially heinous Federal crimes, including the most vile acts of murder, treason, and espionage.

- Modify habeas corpus procedures so as to give greater finality to State court criminal judgments and reduce the seemingly unending chain of appeals and re-appeals.

- Reform the exclusionary rule to allow use of certain types of truthful evidence that may now be shielded by the Federal courts.

These fundamental anti-crime measures deserve the prompt attention of the Congress. I pledge the consistent and determined efforts of the Executive branch to implement these improvements.

Our Administration will continue to investigate and prosecute fraud and other economic, or "white collar," crimes. The Congress can support improved enforcement in this area by completing action on anti-fraud legislative proposals introduced

last year. These include the Money Laundering and Related Crimes Act, False Claims Act Amendments, Program Fraud Civil Penalties Act, Contract Disputes Act and Federal Courts Improvement Act Amendments, Bribes and Gratuities Act, Grand Jury Disclosure Amendments, Anti-Fraud Criminal Enforcement Act, and the Federal Computer Systems Protection Act.

The workload of the Federal courts has skyrocketed in recent years. To ensure fairness and consistency in the administration of justice, our Administration will continue to appoint highly qualified judges who support the limited policy making role of the Federal courts envisioned by the Constitution. The Founding Fathers did not want our judiciary system to be first among equals. They wanted it to be one of the co-equal branches of government.

Our Administration considers improvements to the Federal drug law enforcement program to be one of its top domestic priorities. Thus, we will continue efforts to eradicate illegal drugs before they can be harvested, and to reduce demand for these narcotics by opening the eyes of our Nation's young people to the damage drugs do to the health and lives of anyone who uses them. The Vice President will continue to provide strong leadership in demonstrating the importance of coordinated effort by all the Nation's law enforcement agencies to reduce the flow of narcotics in this country. Through our Organized Crime Drug Enforcement Task Force Program, we will strike at organized criminal elements who profit from drug trafficking.

Our Administration will be calling for the help of all Americans in our battle to eliminate organized crime's extensive influence in American society. Every Government agency will be mobilized and will cooperate with local and State police to wipe out all types of organized crime. The forfeiture provisions already enacted in the Administration's comprehensive crime control package will allow us to stem the life blood of organized crime by impounding some of their illicit proceeds. However, further reform and toughening of these procedures is in order.

Our Administration will continue to help victims of crime through State victims as-

sistance programs. We have drafted model legislation for States to ease the burden on crime victims.

Our Administration continues to support legislation to reform the Nation's immigration laws. This includes granting amnesty to certain qualified aliens and prohibiting employment of illegal aliens.

Our Administration is completely and totally dedicated to the safety of air travel and the security of our airports. In the United States each day, 14,000 flights carry 1 million passengers. To further guarantee their safety we will continue to increase the number of air traffic controllers and inspectors. We have improved safety regulations and in-depth inspection of air carriers and equipment. We are modernizing our air-space system to make the safest system in the world even safer and more efficient. We have expanded the Federal air marshal program, increased security training of flight crews, and required background checks for all persons with access to aircraft or secure airport areas—all measures that will enhance the security of the traveling public.

#### *Personal Freedom*

The protection of personal freedoms is one of the primary responsibilities of our constitutional form of government. Whether it is the right to worship, the right of free speech or the right to life, it is essential that we reaffirm our commitment to the defense of these fundamental freedoms. These rights and responsibilities must be constantly protected if America is to remain at the forefront of advancing personal freedom throughout the world. The constitutional guarantee of our individual rights will strengthen the family and make the future bright for generations to come.

We will continue to prosecute those who violate anti-discrimination laws. Instead of schemes that impose arbitrary numerical requirements, which really help no one and insult all who have worked hard to qualify for the jobs they seek, we need to focus instead on providing true opportunity to compete for employment in the marketplace.

Our Administration continues to support

strengthening the Federal fair housing laws and efforts to create free and open housing opportunities for all Americans. The amendments we have proposed will stimulate voluntary efforts in support of fair housing and provide stronger penalties for those who break the law.

From the early days of the colonies, the right of school children to pray voluntarily has been a revered and important tradition. In 1984, I signed the equal access legislation which allows students in public secondary schools to meet voluntarily for religious purposes during non-instructional periods. But there is more to be done. The right to pray in school is a fundamental American liberty. I again ask the Congress to pass a constitutional amendment to restore the right of students to voluntarily pray in our public schools.

Our Administration will continue seeking to restore a proper balance between protecting the free exercise of religion and preventing establishment of religion as provided by the First Amendment. We will do this by filing *amicus* briefs in court actions where the Attorney General determines that government is improperly interfering with the constitutional guarantees of religious freedom, and will protect the American public against any form of persecution or religious intolerance.

America was founded with a ringing affirmation of the transcendence of human rights. Our Declaration of Independence proclaims that the rights to "Life, Liberty and the pursuit of Happiness" are not a grant from the government, but a gift from the Creator; and we declared that the same Divine Providence in which the new Nation placed its "firm reliance" imposes on government a solemn duty to respect and secure these fundamental rights. We will work to restore the legal protection of the unborn and carry this message to our courts, our legislatures, and our fellow citizens. The Congress should pass legislation prohibiting the use of all Federal funds to finance, promote, encourage or otherwise support abortion. Abortion is the taking of human life, and it debases the underpinnings of our country.

## Environment

By most conventional measures of environmental quality, the air and the waters of the United States continue to improve as a result of the enormous national commitment to these goals that has come about since 1970. Likewise, we continue to be ever more careful stewards of our lands and their abundant natural resources—wildlife, soils, minerals, fuels, and forests. We are moving aggressively to eliminate serious contamination of valuable land and ground water from the past mismanagement of hazardous wastes.

Human institutions can encourage or constrain the ability of people to make the best use of their resources and to solve environmental problems. Rational policies that recognize and make effective use of economic incentives should help to improve the management of our environment and natural resources by stimulating new achievements on the part of the American people. Efficient use of the Nation's resources, guided whenever possible by free markets rather than centralized controls, will work to promote environmental health, economic productivity, and fiscal responsibility.

Environmental protection regulations should be fashioned so that innovation and the substitution of progressively safer new products and technologies for old ones are not inhibited, especially where risk reduction or increased benefits will be the likely result. We must be alert lest government restrictions, however benevolently aimed at protecting the public as a whole, begin to hamper the creativity and productivity of entrepreneurs and other individuals who also can bring about social advances.

Consistent with these thoughts, our Administration continues to support reauthorization of the Comprehensive Environmental Response Compensation and Liability Act—Superfund—for another 5 years. While we are firmly opposed to funding this through a value-added tax, we urge the Congress to keep the clean-up of hazardous waste a high priority.

Our Administration will continue to propose legislation for additional National Wild and Scenic Rivers/Wilderness designations as part of our efforts to preserve natural

environment areas.

We will continue to work with the Congress to closely examine the Nation's major environmental laws and will pay close attention to balancing tradeoffs among social costs, risk, and environmental protection. We will encourage market-oriented strategies throughout this process.

All Americans should take pride in their outstanding public lands and historic sites that belong to everyone. The Departments of Interior, Agriculture, Education, and Army (Corps of Engineers) and the Environmental Protection Agency will work together on a "Take Pride in America" campaign. We must all work for a renewed awareness that these lands are our lands.

Recognizing that environmental problems do not stop at national boundaries we will continue to collaborate closely with other nations, on issues such as acid rain, to maintain the quality of the global environment and improve the management of natural resources of common interest. The United States has long been the world leader in making its scientific talent, data and information, and financial resources available to the international community for these purposes, and we intend to maintain such a role.

#### *Federalism*

The United States is, and was intended to be, governed by a Federal system. State and local governments play a significant role in the life of our country. During the 1970's, State and local governments were often bypassed as the Federal establishment grasped more and more authority. As Government became farther and farther removed from the people, it became less efficient and less responsive.

Today, we have reversed the trend toward centralization. State and local governments are again assuming their rightful role. This is a trend we must encourage. We must see to it that State and local governments are able to do those jobs that they can do best.

Through block grants, we have been able to cut through Federal red tape and allow State and local officials to design and administer programs that make sense to them and their taxpayers. Accordingly, the

budget I submitted contains proposals for new block grants, and maintains healthy funding levels for the ones already in place.

We are working with State and local government officials and organizations to compile a roster of major Federal regulations for revision or elimination. We will also seek to standardize agency grant management practices that will reduce administrative costs, and confusion.

In recent years, many municipal governments have expressed great concern over the dramatic increase in exposure to lawsuits for damages arising out of their performance of vital governmental functions. As a result of this increased liability, many municipalities cannot even obtain insurance coverage. A substantial portion of this liability is imposed under various Federal statutes and programs. We will work closely with State and local governments in 1986 to address this problem.

Our Administration will continue working with State and local governments to ensure that environmental statutes are properly enforced and managed. Such activities have already fostered an atmosphere of mutual cooperation leading to stronger and more efficient enforcement of our environmental laws.

#### **IV. ADVANCING THE TECHNOLOGICAL ERA**

The national security and economic success of the United States can be traced, to a large degree, to the close, constructive cooperation between government, industry, and academia.

As we move from basic research to development of new products, it becomes more difficult to justify Government's role. The most effective role of the Federal Government is supporting basic research. Recognizing this, the Administration has shifted resources toward this end, and our FY 1987 budget proposes an increase in funding in this area. We are also seeking to renew the tax credit for additional private sector research and development, and will encourage commercial application of federally sponsored research and development.

Our Administration will continue to support basic research in the promising new

field of biotechnology. We will seek to provide for protection of intellectual property in biotechnology in order to promote innovation, and will ensure that health and safety regulations are adequate to ensure that new products are safe.

Our Nation remains fully committed to America's space program that includes our shuttle flights, a Space Station, space transportation, assured access to space, and programs required to protect the right to operate in space. We also seek a strong space science program that will exploit space as a research laboratory for development of aerospace flight, Earth sensing and advanced technology programs required in the 1990's and into the 21st century. Research has already begun on an aerospace plane that could, by the end of the next decade, take off from Dulles Airport and accelerate up to 25 times the speed of sound, attaining low-earth orbit or flying to Tokyo within 2 hours.

We will continue to look for appropriate initiatives to benefit the civil and commercial communities that will encourage private sector investment and involvement in civil space activities and promote greater international cooperation in pursuing opportunities in space. We must remain a leader in conquering new frontiers or we, as a people, will surely fall behind.

#### V. EXPANDING THE FAMILY OF FREE NATIONS

In the area of foreign affairs, America will continue to encourage democracy, freedom, and respect for human rights around the world. We will be a strong and reliable ally to our friends, and a firm but hopeful adversary for those who, for now, choose not to be our friends. With the former we hope for continued harmony; with the latter, for progress toward that most elusive of goals, peace.

##### *A Relationship Based on Realism*

Our relationship with the Soviet Union must be supported by the twin pillars of hope and realism. The United States and the Soviet Union are not alike; we are not two equal and competing Superpowers divided only by a difference in our "systems." The United States is a free and open socie-

ty, a democracy in which a free press and free speech flourish. The people of the Soviet Union live in a closed dictatorship in which democratic freedoms are denied. Their leaders do not respond to the will of the people; their decisions are not determined by public debate or dissent; they proclaim, and pursue, the goal of Leninist "revolution."

And so the tensions between us reflect differences that cannot be wished away. But the future is not predetermined. Knowing this, and truly desiring to make the differences between us smaller and more manageable, the United States continues to pursue progress in all aspects of our relationship with the Soviet Union.

Our Administration seeks to ensure that this relationship remains peaceful. We want restraint to be the Soviet leadership's most realistic option and will see to it that our freedoms and those of our Allies are protected.

We seek a secure future at lower levels of arms, particularly nuclear forces, through agreements that are equitable and verifiable. The soundness of our proposals, our renewed military strength and our bipartisan determination to assure a strong deterrent create incentives for the Soviet Union to negotiate seriously.

We can move toward a better, more cooperative working relationship with the Soviet Union if the Soviet leadership is willing. This will require full Soviet compliance with the letter and spirit of both past and future agreements.

There is much work to be done. I will meet General Secretary Gorbachev later this year, and in preparation my Administration will pursue discussions with the Soviet government at all levels. I also hope to see greater communication and broader contact between our peoples. I am optimistic that if the Soviet leadership is willing to meet us halfway, we will be able to put our relations on a more cooperative footing in 1986.

##### *Sustaining Our Strong Commitment to National Defense*

In spite of our current discussions, the Soviet leaders are continuing a massive

military buildup that threatens the United States and our free world allies. Real arms reductions are possible only if the Soviets and others do not doubt our strength and ability to counter aggression.

Keeping America strong, free, and at peace is solely the responsibility of the Federal Government; it is Government's *prime* responsibility. We have devoted 5 years trying to narrow a dangerous gap born of illusion and neglect. And we have made important gains.

In the past 5 years, our Administration has reversed the decline in defense funding that occurred during the 1970's and has made significant progress in strengthening our military capabilities. Last year the Congress and I reached a deficit reduction agreement. We pledged together to hold real growth in defense funding to the bare minimum. My 1987 budget honors that pledge. It proposes defense levels that are essential simply to maintain the defense capability that we have achieved in the face of the continuing Soviet military buildup. I am now asking Congress to keep *its* end of the bargain. With the additional cuts under Gramm-Rudman-Hollings, FY 1986 budget authority for defense corresponds to more than a 5 percent real decline. This simply cannot continue. I am proposing 1987-1991 defense levels which provide the real program growth agreed to in last year's Budget Resolution. It is critical that these levels be supported. The world must know that if America reduces her defenses, it will be because of a reduced threat, not a reduced resolve.

We will continue vigorously to pursue our strategic modernization program in my 1987 budget—to modernize our bomber, ICBM, and missile-submarine forces so as to assure effective and stable deterrence.

Our Administration will also actively continue research into new technologies in search of secure strategic defense systems. The Strategic Defense Initiative offers the prospect of finding such systems, which threaten no one, to keep the peace, protect the United States and our allies in greater safety, and ultimately to eliminate the threat of nuclear weapons by making nuclear-armed missiles obsolete. We have invited allies to join us in this research effort. We

have already agreed with Great Britain to undertake cooperative research and are laying the groundwork for cooperation with others.

We have witnessed in the past 5 years a remarkable improvement in personnel quality and retention throughout all components of the Military Services. My 1987 budget continues to ensure that the high quality of our forces is maintained.

Our Administration is strongly committed to improving management of our defense programs. I look forward to receiving the recommendations of my Blue Ribbon Commission, chaired by David Packard, which has been reviewing this issue. The Department of Defense will continue to root out waste and inefficiency and will aggressively initiate any new improvements necessary to assure that taxpayer dollars are well spent. We will also pursue organizational changes, where appropriate, to ensure the continued effectiveness of our Armed Forces.

While acknowledging the importance of the free flow of knowledge and information for commercial purposes, our Administration will not sacrifice our strategic technological advantages in the area of national security. We will forcefully administer the Export Administration Act.

Our Administration has pressed the governments of Indochina for the fullest possible accounting of the POW/MIA question. These efforts have shown significant progress and will continue. We will continue to pursue, with all resources available to us, reports of Americans who could still be held captive.

We will continue to support the nearly 28 million veterans who have given faithful service in defense of our Nation. We will provide quality medical care, fair and compassionate disability compensation, and other benefits for eligible veterans.

### *Support for a World of Hope*

The United States continues to pursue a world of hope where people are free to choose the political system by which they will be governed. We seek to roll back the tide of tyranny; we seek to increase freedom across the face of this planet, for serving the cause of freedom also serves the



cause of peace. It is for this reason that Americans have always supported the struggle of freedom fighters. It is also why I put forward my "regional initiative" at the United Nations last fall—a three-stage plan for ending a series of dangerous wars that have pitted a series of governments against their own people and their neighbors.

As we have in the past, America must actively wage the competition of political ideas—between free government and its opponents—and lend our support to those who are building the infrastructure of democracy. Failure to sustain other democracies will be very costly in the long run, both materially and spiritually.

In Afghanistan we must continue to help the forces fighting a Soviet invasion and an oppressive Communist regime. As a result of the Soviet Union's military presence and vicious campaign against the freedom fighters, a quarter of the Afghan population has been killed or has fled to refugee camps. The Afghan people will have our support as long as the Soviet Union continues its war against them.

In Latin America the trend toward elected civilian governments continues, with Guatemala as the latest new entry. Over 90 percent of the people of Latin America and the Caribbean now enjoy democratic rule. That compares to less than one-third only 5 years ago. However, Communist subversion and the insidious spread of narcotics trafficking continue to menace the region. In fact, they sometimes work hand in hand, as in Colombia, where insurgents are increasingly linked to drug traffickers and narcotics growers.

The Central American democracies need our help. Our assistance is crucial, as demonstrated by the success of El Salvador in preserving democratic institutions in the face of a Communist insurgency. The levels of economic and security assistance we will request for Central America are the absolute minimum needed to maintain progress toward the objectives set out in the report of the Bipartisan Commission on Central America.

For moral and strategic reasons, we must continue to support those seeking democracy in Nicaragua. The Nicaraguan resistance is fighting not only the Sandinistas, but

Cubans armed with Soviet weapons. I will be asking the Congress to provide the Nicaraguan freedom fighters with the moral and material support they require to continue and expand their struggle. We will continue to press the Sandinistas to negotiate with their own people and to fulfill the promises made to them of genuine democracy. Reconciliation in Nicaragua, based on democratic elections, remains the key to peace in Central America.

In Africa, many countries have experienced deep economic distress and starvation in the past year, brought about in part by the drought and in some cases—particularly Ethiopia—by the brutal policies of a Communist regime. As the human cost of such policies mounts, we encourage African governments to take the lead in moving toward economic and political freedoms.

We are moved by the efforts of freedom fighters such as Jonas Savimbi and the members of UNITA. They deserve our support in their brave struggle against Soviet-Cuban imperialism in Angola. We will work with the Congress to determine the most effective way of providing support.

In South Africa, we stand forthrightly on the principle that the government must achieve freedom and justice for all its citizens. Apartheid, in our view, is doomed. We have a major stake—as elsewhere, both moral and strategic—in encouraging a peaceful transition and avoiding a terrible civil war. This is why we reject the approach of those on both sides who pursue violence and oppression. Our ability to affect the ultimate outcome is limited, but we will continue to employ our good offices—both official and private—to pursue dialogue and negotiation as the best way to change the system while protecting the future of all South Africans.

In Southeast Asia, the United States supports ASEAN in its efforts to aid the struggle of the Cambodian people to free their country from foreign occupation while aiding Thailand, the ASEAN front-line state. As in other regions, we are prepared to contribute to a negotiated settlement of this war, in the context of the proposals I put forward at the U.N. General Assembly last year. We are implementing humanitarian

measures in response to the refugee problems in the region.

We are concerned by developments in the Philippines, our long-time ally, and will work to encourage political moderation, fair play, and the strengthening of democratic institutions. Only on this basis can the people of the Philippines check and ultimately defeat an insurgency whose goal is to end democracy.

No discussion of peace and freedom can be complete without a reference to Europe's great and just hope: an end to the artificial division of the continent. The dividing line between freedom and oppression is one boundary that can never be made legitimate. The most significant way of making all Europe more secure is to make it more free.

We stand for the principles of freedom, democracy, the rule of law, unconditional human rights, and government with the consent of the governed. The cause of Poland's Solidarity continues to arouse the conscience of mankind. Solidarity will not die because its heartbeat is an indestructible truth that resonates in every human heart.

We can help those seeking democracy not only by economic and military aid, but with ideas and the active involvement of democratic parties and institutions. The National Endowment for Democracy has a creative role to play in fostering the ideals that make democracy work.

#### *Alliances and Friendships*

America's strength and staying power are the essential prerequisites for strengthening our alliances and friendships and for protecting the values and interests that bind us together. In Europe we have launched, together with our NATO allies, a Conventional Defense Initiative to find more effective means to improve our conventional deterrent; we are also seeking ways, with congressional support, to stimulate armaments cooperation. The alliance remains firmly on course in deploying NATO intermediate-range weapons to counter Soviet SS-20 missiles. We are also continuing alliance implementation of the decision to reduce by 1,400 the number of nuclear warheads available to NATO, bringing our theater-

nuclear inventory to its lowest level in 20 years; this decision is being carried out despite the absence of reductions by the Soviet Union.

In our relations with Japan, we will expand our efforts to resolve bilateral trade issues through trade liberalizing solutions that open Japanese markets to American goods. We continue to rely on the United States-Japanese Mutual Security treaty as a pillar of Asian peace and stability.

Our commitment to the security of the Republic of Korea has never been stronger. We have a number of differences on trade issues but believe the market-opening steps being taken or under consideration by the Republic of Korea will alleviate these difficulties.

Elsewhere in Asia I will continue to expand and deepen cooperation with China, and improve our relationships in Southeast Asia and the dynamic Pacific Basin as a whole. Termination of United States Trusteeship over the Micronesian Territories, which I hope we can achieve this year, will be a landmark in our relations with the emerging Pacific Island nations and a symbol of our support for democracy and freedom everywhere.

One of the areas most critical to our security is the Middle East. Security assistance to the countries of the region is important to maintaining United States influence, to preventing Soviet intimidation and exploitation, and to giving friendly governments the confidence to move toward peace in the face of often violent opposition. We are helping Israel and Jordan to narrow their differences in the peace process. We will continue our efforts to facilitate direct negotiations between Israel and her Arab neighbors. We must also enlarge the gains already made between Israel and Egypt.

In South Asia major strides have been taken in the past year to advance regional peace and prosperity. A new regional association was inaugurated to grapple with the twin killers of narcotics and terrorism. The leaders of India and Pakistan have met frequently to address outstanding differences. The United States stands ready to promote regional peace and reduce the risk of a South Asian nuclear arms race in any way

we can.

In terms of our legislative intentions, let me be clear: in all these regions of the world, a strong security assistance program is one of the most effective, and least costly, ways of protecting interests we share with allies and friends. I will work with the Congress to preserve this invaluable policy tool. I will also seek congressional approval of our requests to sell arms to Jordan and other pro-Western governments in the Middle East.

### *Countering Terrorism and Espionage*

Terrorism is a growing threat, as evidenced by the increased targeting of innocent civilians engaged in innocent pursuits. We are taking several measures to increase our capability to deal with this scourge. We are aware that it thrives with the support of nations such as Libya that provide funding, logistics, direction, and safehavens.

The Vice President's Task Force on Combating Terrorism, formed at my direction last July, has submitted its report to me with a series of recommendations. Our Administration has already begun to implement those recommendations that are within the purview of the Executive Branch. We will increase our intelligence cooperation with friendly nations to share information on terrorist plans and intentions. Our intelligence community will place greater emphasis on collecting information on terrorist groups and their state supporters. And we will increase our readiness to strike back at terrorists where they have been identified and their responsibility for actions against Americans has been determined. Those countries that support and direct the terrorists should know there is no refuge, there is no hiding place, there is no sanctuary that will keep them safe forever.

Our Administration will continue, on its own and in cooperation with allies, with private sector transportation companies, and with international organizations, to take preventive and response measures to counter the brutal, savage terrorist attacks on innocent people. Through the Federal Bureau of Investigation here at home and

intelligence services abroad, we will act to head off terrorist incidents before they can occur. Our tightened security measures already include new regulations for checked baggage, cargo, and access to aircraft. We are working with the International Civil Aviation Organization and the International Maritime Organization to enhance security standards worldwide.

Our Administration will ask the Congress for legislation to further improve security measures, enhance anti-terrorism assistance programs and in general enable us to meet our counter-terrorism responsibilities. We are requesting additional funds to improve the security of our diplomatic missions abroad and of foreign diplomats here in the United States. We are also asking the Senate to approve the Supplementary Extradition Treaty with the United Kingdom to allow the return of international terrorists for trial. This treaty will assure that our own courts cannot become a sanctuary for certain terrorists and will serve as a model for cooperation between nations.

Our Administration will continue to counter the threat posed by the worldwide activity of hostile intelligence services such as the KGB and GRU. We will follow a realistic approach to countering illegal technology acquisition, espionage, and the attempt to manipulate public opinion through active measures and disinformation. We will enhance our world effort to identify and neutralize the activity of intelligence services working against American interests or threatening our security.

### VI. CONCLUSION

What we accomplish this year, in each challenge we face, will set our course for the balance of the decade, indeed for the remainder of the century. After all we've done so far, let no one say this Nation cannot reach the destiny of our dreams. America believes, America is ready, America can win the race to the future—and we shall.

RONALD REAGAN

The White House,  
February 6, 1986.

## Message to the Congress Transmitting the Annual Economic Report of the President

February 6, 1986

### *To the Congress of the United States:*

The major economic objectives of my Administration from its beginning have been strong, sustainable, noninflationary economic growth and expanding economic opportunities for all Americans. To achieve these goals, we have pursued policies that are in the long-term best interest of the Nation.

The benefits of this approach are now clear. The economy has entered the fourth year of a robust expansion that has dramatically increased opportunities for all Americans. Millions of new jobs have been created. Investment opportunities have increased. Standards of living have risen. Moreover, this success has been accomplished without rekindling inflation.

We are committed to continuing and extending policies that encourage the private investment and innovation that are the foundation of this expansion. We continue to resist unnecessary increases in government spending and unwarranted interference in private markets. Sustained, strong economic growth depends critically on allowing the market system to function as freely as possible. Free markets provide proper incentives to work, save, and invest, and they ensure that the interests of consumers are served.

These basic principles were embodied in our 1981 Program for Economic Recovery and reaffirmed in the second-term Program for Growth and Opportunity. These programs do not offer "quick fixes" but rely on the inherent ability of the free market system to allocate resources efficiently and to generate economic prosperity. The fundamental responsibility of the Federal Government should be to provide a stable environment within which people can make economic decisions, not to make those decisions for them. To this end, our initial program involved four essential elements:

- Restrain the growth of Federal spending,
- Reduce personal and business taxes,
- Reduce regulatory excesses, and

- Encourage stable and moderate monetary growth.

### *The Current Expansion*

The success of our policies is now apparent. Even though economic growth slowed a bit in 1985 compared with its strong performance in 1983 and 1984, the expansion has nonetheless proceeded at an encouraging pace. It is already 4 months longer in duration than the average peacetime expansion since World War II. If the expansion continues as expected throughout 1986, it will be the third longest in the postwar period.

This expansion has been characterized by unusually strong real business investment in plant and equipment due to our successful attack on inflation and to our tax policy, which stimulated investment. Real business investment has contributed nearly twice as much to real gross national product (GNP) growth in this expansion as it typically has in previous postwar expansions; as a share of real GNP, it is higher than at any other time in the postwar period. Stronger U.S. investment means not only a stronger economy today, but also higher productivity and the potential for faster growth in the future.

Strong employment growth is another outstanding feature of this recovery. Since the end of the last recession in November 1982, the U.S. economy has employed more than 9 million new workers. Furthermore, the unemployment rate fell from 10.6 percent in November 1982 to 6.9 percent in December 1985. Despite this dramatic improvement, however, we will not be satisfied until all American workers can find jobs at wages commensurate with their skills.

When we initiated our Program for Economic Recovery, we were confident that a resourceful, flexible economy, unencumbered by excessive governmental intervention, would create jobs. At the same time, we believed that restrained monetary growth would reduce inflation. Our opti-

mism was justified. The rate of inflation is now less than one-third of the rate in 1980. During this expansion, inflation has maintained its lowest level in more than a decade despite the tremendous employment growth that the economy has generated. Reflecting in part the reduction in inflation, interest rates—especially long-term rates—have declined throughout 1985 and by the end of the year were at their lowest levels in 6 years.

Our success in reducing inflation came as a surprise to some. As inflation rose in the 1970s, some businesses and individuals incurred debt in order to purchase assets, expecting the income generated by these assets to rise with inflation while the real burden of servicing the debt decreased. With the decline in inflation, the real burden of debt servicing rose and the income generated by many assets fell. This combination of events has strained some U.S. financial institutions. Falling farm incomes have hampered the ability of some farmers to pay interest on their debt. Similarly, many less developed countries have had difficulty repaying loans from U.S. financial institutions. The stress that the undesirable rise in inflation and its desirable but unexpectedly rapid decline have imposed on the U.S. financial system emphasizes the importance of achieving and maintaining long-term price stability.

America's optimism concerning continued growth in economic opportunities is shared by businesses and individuals throughout the world. The United States has been and remains one of the few major immigrant-receiving countries, reflecting in part the economy's ability to generate economic opportunities. During the current expansion, profitable investment opportunities in the United States have also attracted foreign capital, helping to finance the rapid growth in investment. The inflow of foreign capital indicates a strong economy. As other nations continue to move toward market-oriented policies and reduce excessive government spending, taxation, and structural rigidities, they too will generate increased investment opportunities, resulting in increased growth and stronger currencies as more capital flows into their economies.

### *The Economic Outlook*

Many factors point to continuation of the current expansion. Economic conditions at the end of 1985 were more favorable than they were at the beginning of the year and are expected to improve further. Monetary growth during the past year has been sufficient to accommodate growth in the economy. The leading economic indicators have risen in 11 of the past 12 months. Inventories are relatively low, and as sales continue to expand, production should increase to replenish depleted inventories. Interest rates have continued their decline, promising to spur additional capital spending. Furthermore, the warning signals that typically precede the end of expansions have not been observed. Thus, we feel confident that the current expansion will continue through 1986.

We expect increased growth in real GNP of 4 percent in 1986, continuing throughout 1987 and 1988 and declining gradually in 1989–91 as the economy approaches its long-run real growth trend. Given the monetary and exchange rate developments during the past year, we anticipate a slight rise in inflation in 1986–87. However, if the Federal Reserve reaffirms its resolve to achieve price stability, a goal that I support without reservation, the downturn in inflation should resume in later years.

Changing events, including erratic monetary and fiscal policies, can bring any expansion to an abrupt and unexpected halt. Our projections for the longer term are premised on the assumption that stable economic policies will foster continued economic growth and will also provide the needed flexibility for the economy to respond to external disturbances. Our policy goals reflect this commitment to economic stability as the key contribution to sustained growth, stable prices, declining interest rates, and falling unemployment. The American people have a right to expect such results and, with the cooperation of the Congress and the Federal Reserve, we expect to continue to deliver them.

### *The Economic Role of Government*

In formulating our program for healthy and continued economic expansion, we rec-

ognized the limited role that government properly plays. The Federal Government cannot provide prosperity or generate economic growth; it can only encourage private initiative, innovation, and entrepreneurial activity that produce economic opportunities. An overly active government actually hinders economic progress. Federal spending absorbs resources, many of which could be better used by the private sector. Excessive taxation distorts relative prices and relative rates of return. By arbitrarily reallocating resources, it inhibits the economy's ability to grow. Thus, the best way for government to promote economic growth is to provide a foundation of stable, predictable economic policies, and then to stand back and let the creative potential of the American people flourish.

The Federal Government has several definite responsibilities that my Administration continues to uphold. The first is to provide an adequate national defense. World peace and security require the United States, as the leader of the free world, to demonstrate its willingness and ability to defend its own national security and to contribute to the defense of its allies.

Furthermore, we will not ignore the less fortunate in this society. My Administration continues to provide an appropriate safety net to aid those individuals who need help. At the same time, we have worked to develop a strong, vibrant, opportunity-generating economy that can offer meaningful jobs to all who are able to work. The economic expansion has done much more to reduce poverty than any government transfer program. The significant decline in the percentage of the population in poverty in 1984 reflects both the success of our programs and the strength of the economy. Moreover, tax reform will benefit the working poor. My proposed tax reforms eliminate the Federal income tax burden of most working poor.

Finally, even though we believe that markets generally allocate resources most efficiently, there are a few special cases, such as air and water pollution, in which the market mechanism alone may be inadequate. In these instances, government intervention is necessary, but even here, it should be based on market principles. For

example, the Environmental Protection Agency has approved arrangements that enable firms to earn credits for reducing emissions below the required limit, which they can sell to other firms facing higher costs of emission control. In this way, environmental quality is maintained and improved while the costs of compliance decline.

*Control Federal Spending.*—Fulfillment of these limited responsibilities, however, does not require the level or the rate of growth of Federal spending that the Nation has been experiencing. In spite of our efforts, spending remains excessive and has been the primary cause of the large budget deficit. Tax rate cuts did not generate this deficit; in fact, current tax receipts are as large a share of GNP as they were in the late 1970s, even after the reduction in tax rates that we initiated in 1981. The key to resolving the Federal budget deficit is to restrain unneeded spending. Spending, not the deficit, is the true indicator of the cost of government, because it measures the total economic resources diverted from the private sector. Excessive spending affects the economy in deleterious ways regardless of whether it is financed through taxation, borrowing, or even inflation. Private capital formation is reduced, resources are inefficiently allocated, and economic growth is slowed.

I applaud and support the newly enacted Balanced Budget and Emergency Deficit Control Act of 1985, known commonly as Gramm-Rudman-Hollings, as a way to work with the Congress to reduce Federal spending and the deficit. I intend to submit budgets in each of the coming years that satisfy the act's deficit targets, not by sacrificing the programs essential to the Nation, but by reforming or eliminating those programs that are ineffective or nonessential. I reject the notion of increased taxes. Higher taxes would only encourage more Federal spending and limit the economy's ability to grow.

Gramm-Rudman-Hollings accomplishes only part of our long-term objective of Federal fiscal responsibility. Properly applied, it will produce a balanced budget by 1991, but it does not guarantee a continued balanced budget thereafter. We must now

direct our attention to a constitutional amendment providing for a permanently balanced budget. Together, these two measures will provide an orderly transition to a balanced budget, restrain future spending, and ensure that future fiscal decisions are prudent and responsive to the national interests. Accordingly, I continue to support strongly and to urge the adoption of a balanced-budget constitutional amendment. I also seek legislation that would authorize the President to veto individual line items in appropriations measures. Such authority is essential to ensure that only effective and essential government programs are funded.

*Reform Taxes.*—Over the years, successive modifications of the Federal tax code have resulted in a complex tax system that contains many loopholes and artificially encourages some types of activities at the expense of others. Furthermore, the inflation of the 1970s distorted the overall pattern of capital taxation and pushed personal incomes into ever-higher tax brackets, discouraging saving and investment. Our actions to reduce tax rates have corrected many of these distortions and inequities. Individual income tax rates have been reduced and indexed to the inflation rate; effective tax rates on new investment have been lowered substantially. Still, more must be done.

In May 1985, I submitted to the Congress a comprehensive reform of the tax code to make it simpler, fairer, and more conducive to economic growth. I proposed reducing marginal tax rates for individuals and businesses, broadening the tax base by eliminating the majority of existing loopholes, taxing different activities consistently so that resources are allocated on the basis of economic merit and not tax considerations, and compensating for or eliminating much of the remaining influence of inflation on effective tax rates on capital. Just before it recessed, the House of Representatives passed a tax reform bill that incorporated some of these principles. Despite substantive differences between my proposal and the House bill, I urged its passage to move the legislative process forward. We will now work with the Senate to generate a fair and simple tax code that is truly pro-family, pro-jobs, and pro-growth.

*Eliminate Counterproductive Regulation.*—Tax reform is only one part of our goal to enable markets to function more efficiently in allocating resources. We have also worked hard to identify and remove government regulations that impede the operation of markets, inhibit competition, or impose unnecessary costs on firms and unnecessarily high prices on consumers. The regulation of domestic oil prices provides a good example of the deleterious economic effects that regulation can have as it distorts relative prices and prevents necessary adjustments. The results of my accelerating the deregulation of oil prices in January 1981 are now apparent. Oil imports have declined, and the Organization of Petroleum Exporting Countries has found it impossible to sustain its previous levels of high prices. In contrast, the natural gas market is still plagued by distortions induced by price controls. In 1983, we unsuccessfully urged the Congress to deregulate natural gas prices. We will again pursue legislation that would completely deregulate natural gas prices. In addition, we are proposing further deregulation of the trucking industry.

We will continue efforts to reduce government involvement in two particular sectors of the economy. First, the banking and credit system remains rife with regulations and loan guarantees that arbitrarily allocate credit and hamper the system's ability to adapt to changing economic conditions. While we must continue to protect the public against severe economic disturbances, we should allow financial institutions greater freedom in determining the composition of their assets and liabilities so that they can respond more flexibly to the changes they encounter.

Second, heavy government involvement also persists in many agricultural markets. Government policies, intended as solutions, have so distorted incentives that they have actually caused some of agriculture's current problems. The legislation that I proposed in 1985 was designed to return American agriculture gradually to a free market. The bill passed by the Congress in late 1985 contained some of my proposed reforms, but preserved some of the policies

that now hamper agriculture. In particular, it maintained counterproductive government intervention in the dairy industry, mandated export subsidies, and continued costly distortions of the sugar market. We will continue to pursue further agricultural reform that lessens government involvement in these areas and increases opportunities for farmers to compete successfully in world markets.

*Transfer Some Services to the Private Sector.*—The Federal Government has increasingly sought to provide services that can be more efficiently provided by the private sector. To address this problem, I have established a working group to investigate which government functions could be effectively returned to the private sector. I have also included several initiatives in this area in the recently released budget. This strategy does not necessarily require eliminating services now provided by the government. Rather, it would make private alternatives available. Such a strategy ensures production of services that are demanded by consumers, not those chosen by government bureaucrats. It also leads to more efficient and lower cost production of those services, and often removes government-imposed restraints on competition.

*Maintain Free and Fair Trade.*—Our pursuit of unencumbered markets is not confined to the domestic economy. Our international trade policy rests firmly on the foundation of free and open markets. The benefits of free trade are well known: it generates more jobs, a more productive use of a nation's resources, more rapid innovation, and higher standards of living both for this Nation and its trading partners. While a unilateral commitment to free trade benefits the Nation, Americans gain even more when U.S. trading partners also open their markets. My Administration will actively pursue this goal. An important part of our trade program is to begin a new round of multilateral trade negotiations. Under the auspices of the General Agreement on Tariffs and Trade, we are seeking to engage U.S. trading partners in comprehensive negotiations that will generate freer trade, increased access for U.S. exports, and a stronger international trading system. To complement this initiative, we are continu-

ing to explore the possibility of establishing bilateral free trade zones with some U.S. trading partners.

We do not blindly pursue free trade. We also strive to ensure that trade is fair by vigilantly enforcing current trade laws. Unfair trade practices abroad harm U.S. exporters as well as reduce standards of living worldwide; this is unacceptable. In an unprecedented move, I have asked the U.S. Trade Representative to initiate unfair trade practice investigations under Section 301 of the Trade Act of 1974. Such investigations are not intended to produce retaliatory action by the United States, but rather to achieve more open markets internationally. In this way, we hope to convey the message that a commitment to free and fair trade is a reciprocal obligation in this increasingly interrelated world trading community.

The large trade deficit that has evolved during the current expansion has subjected our free and fair trade policy to much criticism, especially from the Congress. During the past year, more than 300 pieces of protectionist legislation have been considered or proposed. While the conditions that have led to the trade deficit have adversely affected some U.S. industries, increased protectionism is not the solution. Protectionist measures will have little effect on the trade balance and will only decrease standards of living and inefficiently redistribute resources within the economy.

Our agreement with four other major industrialized nations in September 1985 was an important recognition that economic policy changes across countries (not only in the United States) are essential to correct trade imbalances worldwide and to realign currency values. To this end, we reaffirmed our commitment to continue efforts to reduce the Federal Government deficit by lowering spending as a share of GNP. We urged the Congress to enact Gramm-Rudman-Hollings to achieve that goal. America's trading partners, in turn, committed themselves to policies designed to foster increased internally generated economic growth and, hence, increased demand for U.S. exports. These policy objectives are important for less developed



countries as well. Indeed, a central facet of the Secretary of the Treasury's recent initiatives to assist in resolving the debt-servicing problems of these countries is that they pursue policies to promote growth, reduce inflation, and secure balance of payments adjustment.

### Conclusion

My Administration recognizes the responsibility of the Federal Government to promote economic growth and individual opportunity through policies that lead to maximum employment, production, and purchasing power. We intend to maintain this course with policies that continue to promote strong, sustainable, noninflationary growth and provide expanding economic opportunities for all. We shall continue to resist additional government involvement

as a solution to short-term problems. Such involvement has been unsuccessful in the past and ultimately becomes part of the problem rather than part of the solution. With the cooperation and support of the Congress and the independent agencies, we will pursue the appropriate policies necessary to sustain the current expansion and to stabilize prices.

RONALD REAGAN

February 6, 1986

*Note: The President's message was printed in the report entitled "Economic Report of the President, Transmitted to the Congress, February 1986—Together With the Annual Report of the Council of Economic Advisers."*

## Remarks at the 1986 Reagan Administration Executive Forum February 6, 1986

I don't think I can top that. Unless you were applauding for the band, I'll leave. Well, Washington affords one many memories—the impressive monuments and statues, the multicolored splendor of the fall, and the joy of seeing new life come back in the spring. One of the memories that will stay with me is the majestic sound of our Marine Band. You've already said a special thanks to them today. And if I'd known I'd have them to warm up the audiences, I might have run for public office earlier than I did. *[Laughter]*

Another memory I'll have is of the many dedicated people who have given so much of themselves to accomplish what we have in these last 5 years. I'm talking about the Cabinet officers that are here on the stage, and I'm talking about each and every one of you. How far we've come can be traced back to your skill and commitment, to the long hours, to the professionalism you've put into your individual tasks. So, before I go any further, let me just say from the bottom of my heart, I'm proud of you, and I'll always be very grateful to you.

There's a rule against singling people out,

because all of you've done so much. But there's a member of the team who's back with us today. We've prayed for her while she was in the hospital. And, Susan Borchard [Associate Director of Presidential Personnel], I couldn't have a better birthday present than your being here.

Well, you know, the Democrats have taken special note of every candle I add to my birthday cake. *[Laughter]* They keep hoping that I won't be able to blow them all out. *[Laughter]* Because, you know, your wish comes true then; and they know what I'm wishing for. *[Laughter]* Well, Nancy brought in my cake this morning, and I blew out every candle. So, there'll be no tax increase this year.

I think there's every reason to be optimistic about the time ahead. We've already proven how much we can accomplish. Remember during the 1980 campaign when certain experts were saying it would take 10 years to wring inflation out of the economy? Well, in 1982, as our program began to come on line, inflation dropped to under 4 percent. Last year it was 3.8, and we're not

going to be satisfied until we get it down to 0.0. And as you set goals for your departments and agencies, don't be afraid to try what the experts say can't be done. I've found that an expert is usually an individual who knows every reason in the book why not to try. Our motto is: "It can be done." You'd be surprised how much gets done when you find out you could do all those things they said can't be done.

We didn't come to Washington for business as usual. We came here to rewrite the rule book and to extend the boundaries of the possible. And, together with the American people, we've transformed economic decline and national pessimism into 37 months of economic growth and confidence. Productivity is up; 9 million new jobs have been created in just over 3 years. We've got a higher percentage of our citizens working today than have ever worked before in our history. In the last 3 years, real business fixed investment has risen to a whopping 38 percent—or by a whopping 38 percent. And the stock market has climbed right through the roof.

Both the spirit and material well-being of the American people have improved dramatically. I don't know if any of you caught the speech a couple of nights ago—in the State of the Union—[*laughter*]*—*but, well, I tried to make it clear that our success has been based on our deep and abiding trust in the American people. Consistent with this, we've focused our attention on returning decisionmaking to State and local government and to the people themselves. Between 1979–1981, the year we got to Washington, Federal tax revenues doubled, and the Federal Government was looked to for solutions to every problem. Do you know something? If government controls and central planning were the way to a better future, we'd be importing our grain from the Soviet Union and not the other way around.

Nowhere has that failed philosophy been more apparent than in our schools. Looking to Washington for easy answers and free money did nothing to improve the quality of our children's education. In fact, test scores and other indicators plummeted. The liberal answer would have been more spending and more Federal involvement.

Instead, we set out to mobilize the people. We focused their attention on the issues that mattered, and we called for higher standards, for merit pay, for more discipline, and for more parental involvement and choice. And the results have been spectacular. All 50 States have put their own educational task forces to work, looking for ways to improve their systems; 34 States have raised graduation requirements; 33 require teacher competency tests; 31 now reward teachers on the basis of performance. On the local level, school districts and communities in all 50 States have raised their academic standards. What does all this mean to America's children? Well, last year we enjoyed the largest gain in Scholastic Aptitude Test scores in over 20 years.

And while we're talking about education, last week our country experienced a tragedy that touched each and every citizen, especially our children. In the Congress, in city halls and statehouses throughout the land, men and women stopped and bowed their heads in prayer, seeking solace from our Heavenly Father, and I still wish children in our public schools had been able to do the same thing.

In the coming year, we face challenges as important as any we've seen so far. Now, I know you've heard the uproar over Gramm-Rudman-Hollings. Well, contrary to what the gloom and doomers are saying, Gramm-Rudman-Hollings is no threat; it's an opportunity. We at last have a tool with which to deal with Federal deficit spending, and we're going to make the best of it. Jim Miller and his crew at OMB have been working with many of you in developing a budget that meets the GRH targets. And all of you have done a terrific job. To those on Capitol Hill who say it can't be done, we say it already has been done. We've offered a reasonable and a fair alternative. And in these next few weeks, I hope all of you will put out the maximum effort to support our budget proposal. Can I count on you? [*Applause*] You just made my day. [*Laughter*] In fact, you've made it several times already.

The budget battle does, of course, pose some risks. There are, for example, those who believe the way to handle the problem

of deficit spending is to increase taxes. Well, during the last campaign, one candidate took his case for higher taxes to the American people and he was—[*laughter*—he was victorious in one State and in the District of Columbia. [*Laughter*] Even liberal economists should be able to add up the score. The American people don't want higher taxes. Furthermore, higher taxes won't translate into higher revenue and lower deficit spending. This has been clear ever since the time of Adam Smith back in 1776. "High taxes," that great economist noted, "frequently afford a smaller revenue to government than what might be drawn from more moderate taxes." Now, you know, it made sense the first time he told me that. [*Laughter*] It doesn't take a genius to understand that increasing the Federal tax could well lead to higher spending, higher tax rates, and a new recession. We didn't come to Washington to preside over such a scenario.

The second threat comes from those who would irresponsibly gut our defense budget. Let me just say, I'm proud of how much those of you working in national security areas have done to ensure that the taxpayers get maximum value for every dollar spent. Even if the press doesn't give you the credit for finding flaws and correcting them, I do. So, keep up the good work. National defense, however, continues to be an expensive proposition. But let us never forget, keeping our country safe and secure is the foremost responsibility of the Federal Government. Let me pledge to you: We'll continue to trim wherever possible, but we'll never send those brave individuals who defend this country out in second-rate equipment. They'll have the weapons they need to do their vital jobs and to come home—please God—safely.

Now, if the Members of Congress cannot bring themselves to cut those areas of the budget that can be pruned without risking the safety of our country, let me do it. If they're afraid of the special interests, let me take the heat. We all know there are savings to be made if the political courage is there. As I requested in the State of the Union, let the Congress give me the line-item veto, and I'll make the cuts, I'll take the responsibility and the heat.

We're now entering a crucial time for our administration and for the future of our country. America's ingenuity and technological know-how is creating tremendous new potential. I'm proud, for example, that we have some of America's top scientific minds researching defensive systems that might someday help mankind leave behind the threat of nuclear devastation. Now, and for all their howling, the Soviets have been pursuing such research for years. We're not about to abandon the Strategic Defense Initiative.

And finally, there's one issue we will face in coming months which touches on both our ideals as free people and the security of our country. Today there are brave men and women fighting for their freedom and independence against great odds. In Afghanistan, in Angola, and in Nicaragua, lightly armed freedom fighters face Soviet tanks, artillery, and helicopter gunships. Edmund Burke, that great British statesman who championed the cause of American independence, once wrote, "When bad men combine, the good must associate; else they may fall one by one . . ." Well, today, we cannot sit back and idly watch as the new imperialism grinds down courageous people fighting for their liberty. We must give those heroes what they need, not just to fight and die for freedom but to win for freedom.

And nowhere is this challenge more vital to our own security than in Central America. The Soviet Union has armed the Sandinista dictatorship to the teeth. The regime in Managua, almost immediately upon seizing power, started undermining its neighbors and suppressing the rights of its people at home. Those who've taken up arms against the Communists are fighting for the rights to speak and pray, to organize labor unions, to own land, and to direct the course of government through free elections. The choice is helping these freedom fighters or seeing a Communistic dictatorship established in the heart of Central America, another Cuba. The stakes are high. We must provide the Nicaraguan freedom fighters with what they need to bring democracy to their country.

Earlier, I quoted Adam Smith. Well, an-

other great economist, Ludwig von Mises, once wrote, "People must fight for something that they want to achieve, not simply reject an evil, however bad it may be." Well, today, we've captured the high ground because we have a plan for freer and a more prosperous tomorrow. All of us in this room are part of an historic tide that is rolling back statism and tyranny and expanding the boundaries of human freedom. Let us have the courage to live up to our ideals, the energy to reach our potential,

and the commitment to do the job that has to be done.

And, again, from the bottom of my heart, I thank each and every one of you for all that you're doing, and God bless you all.

*Note: The President spoke at 11:50 a.m. at DAR Constitution Hall at the fifth annual Executive Forum for political appointees of the administration. Following his remarks, the President was presented with a birthday cake from Children's Hospital.*

## Appointment of Joseph F. Sutter as a Member of the Presidential Commission on the Space Shuttle *Challenger* Accident February 6, 1986

The President today announced the following individual to be a member of the Presidential Commission on the Space Shuttle *Challenger* Accident:

*Joseph F. Sutter*, executive vice president, the Boeing Commercial Airline Co. Born in Seattle, WA, Mr. Sutter received his degree from the University of Washington (B.S., 1943). He began his career with Boeing in 1945 and has

held numerous positions dealing with analysis, design, and production of jet aircraft. He was one of the principal figures in the development of the 747 superjet and is known as "The Father of the 747." He was elected to the National Academy of Engineering in 1984. The President awarded him the United States Medal of Technology in February 1985 for his role "in developing three generations of airline jet aircraft."

## Message to the Congress Transmitting the Annual Report on Nuclear Nonproliferation February 6, 1986

*To the Congress of the United States:*

I have reviewed the activities of United States Government departments and agencies during the calendar year 1985 related to preventing nuclear proliferation, and I am pleased to submit my annual report pursuant to section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242).

The report concludes that the United States during 1985 continued to make significant progress in its efforts to achieve its non-proliferation goals.

As I stated in my message to the third Non-Proliferation Treaty Review Confer-

ence, my central arms control objective has been to reduce substantially, and ultimately to eliminate, nuclear weapons and rid the world of the nuclear threat. The prevention of the spread of nuclear explosives to additional countries is an indispensable part of our efforts to meet this objective. I intend to continue my pursuit of this goal with untiring determination and a profound sense of personal commitment.

RONALD REAGAN

The White House,  
February 6, 1986.

## **Executive Order 12547—Establishing Procedures for Facilitating Presidential Review of International Aviation Decisions Submitted by the Department of Transportation**

*February 6, 1986*

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 801 of the Federal Aviation Act, as amended (49 U.S.C. 1461), and in order to provide Presidential guidance to department and agency heads and facilitate Presidential review of decisions submitted to the President for his review by the Department of Transportation pursuant to the Federal Aviation Act, it is hereby ordered as follows:

*Section 1.* (a) Except as otherwise provided in this section, decisions of the Department of Transportation (hereinafter referred to as the "DOT") transmitted to the President pursuant to Section 801 of the Federal Aviation Act, as amended, may be made available by the DOT for public inspection and copying following submission to the President.

(b) In the interests of national security, and in order to allow for consideration of appropriate action under Executive Order No. 12356, decisions of the DOT transmitted to the President under Section 801 shall be withheld from public disclosure for a period not to exceed five days after submission to the President.

(c) At the same time that decisions of the DOT are submitted to the President pursuant to Section 801, the DOT shall transmit copies thereof to the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, the Attorney General, the Assistant to the President for National Security Affairs, the Director of the Office of Management and Budget and any other Executive department or agency that the DOT deems appropriate.

(d) The Secretary of State and the Secretary of Defense, or their designees, shall review the decisions of the DOT transmitted pursuant to subsection (c) above, and shall promptly advise the Assistant to the President for National Security Affairs or his designee, whether action pursuant to Executive Order No. 12356 is deemed appropri-

ate. If, after considering these recommendations, the Assistant to the President for National Security Affairs determines that classification under Executive Order No. 12356 is appropriate, he shall take such action and immediately so inform the DOT. Action pursuant to this subsection shall be completed by the persons designated herein within five days of receipt of the decision by the President.

(e) On and after the sixth day following receipt by the President of a DOT decision submitted pursuant to Section 801, or upon earlier notification by the Assistant to the President for National Security Affairs or his designee, the DOT is authorized to disclose all unclassified portions of the text of such decision. Nothing in this section is intended to affect the ability to withhold material under any Executive Order or statute other than Section 801.

*Sec. 2.* (a) Departments and agencies outside of the Executive Office of the President shall raise only matters of national defense or foreign relations in the course of the Presidential review established by this Order. All other matters, including those related to regulatory policy, shall be presented to the DOT in accordance with the procedures of the DOT.

(b) Departments and agencies outside of the Executive Office of the President that identify matters of national defense or foreign relations while a decision is pending before the DOT shall, except as confidentiality is required for reasons of defense or foreign policy, make those matters known to the DOT in the course of its proceedings.

*Sec. 3.* (a) After transmitting a decision under Section 801 to the President for review, the DOT shall obtain the recommendations, addressed to the President, of the departments and agencies referred to in section 1(c) of this Order.

(b) Departments or agencies outside of the Executive Office of the President

making recommendations on matters of national defense or foreign relations with respect to any decision submitted by the DOT to the President under Section 801 shall submit their recommendations in writing to the DOT: (1) within four days of the DOT's issuance of a decision subject to a 10-day statutory review period under Section 801(b); and (2) within twenty-one days of the DOT's issuance of a decision subject to a 60-day statutory review period under Section 801(a), or in exceptional cases, within the period specified by the DOT in its letter of transmittal.

(c) The DOT shall, as soon as practical after the deadlines specified in section 3(b) of this Order: (1) if no recommendations are received from the departments and agencies specified in section 1(c) of this Order, transmit to the President, through the Assistant to the President for National Security Affairs, a memorandum stating that no department or agency advises disapproval of the decision; or (2) if recommendations are received, transmit them to the Assistant to the President for National Security Affairs, who upon review, shall transmit a memorandum to the President with a recommendation as to whether or not the President should disapprove the proposed decision.

*Sec. 4.* (a) In advising the President with respect to his review of a decision submitted to him pursuant to Section 801, departments and agencies outside of the Executive Office of the President shall identify with particularity the defense or foreign policy implications of the DOT decision which are deemed appropriate for the President's consideration.

(b) If any department or agency which made recommendations to the President pursuant to Section 801 believes that, if the President decides not to disapprove a decision, the letter so advising the DOT should include a statement that the decision not to disapprove was based on national defense or foreign relations reasons, it should so indicate separately and explain why.

*Sec. 5.* Individuals within the Executive Office of the President shall follow a policy of: (a) refusing to discuss matters relating to the disposition of a case subject to the review of the President under Section 801

with any interested private party, or an attorney or agent for any such party, prior to the President's decision; and (b) referring any written communication from an interested private party, or an attorney or agent for any such party, to the appropriate department or agency outside of the Executive Office of the President. Exceptions to this policy may be made only when the head of an appropriate department or agency outside of the Executive Office of the President personally finds, on a nondelegable basis, that direct written or oral communication between a private party and a person within the Executive Office of the President is needed for reasons of defense or foreign policy.

*Sec. 6.* Departments and agencies outside of the Executive Office of the President which regularly make recommendations to the President in connection with the Presidential review pursuant to Section 801 shall, consistent with application law, including the provisions of Chapter 5 of Title 5 of the United States Code:

(a) establish public dockets for all written communications (other than those requiring confidential treatment for defense or foreign policy reasons) between their officers and employees and private parties in connection with the preparation of such recommendations; and

(b) prescribe such other procedures governing oral and written communications as they deem appropriate.

*Sec. 7.* This Order is intended solely for the internal guidance of the departments and agencies in order to facilitate the Presidential review process. This Order does not confer rights on any private parties.

*Sec. 8.* (a) None of the time deadlines specified in this Order shall be construed as a limitation on expedited Presidential review of any decision submitted under Section 801.

(b) Executive Order No. 11920 of June 10, 1976, is revoked.

(c) The provisions of this Order shall become effective 30 days after its publication in the *Federal Register*.

RONALD REAGAN

The White House,  
February 6, 1986.

[Filed with the Office of the Federal Register, 4:38 p.m., February 7, 1986]

*Note: The Executive order was released by the Office of the Press Secretary on February 7.*

## Appointment of William L. Ball III as Assistant to the President for Legislative Affairs February 7, 1986

The President today announced his intention to appoint William L. Ball III to be Assistant to the President for Legislative Affairs.

Since March 1985 Mr. Ball has been Assistant Secretary of State for Legislative and Intergovernmental Affairs. From 1981 to 1985, he was administrative assistant to Senator John Tower of Texas. In 1981 he also served as chief clerk of the Senate Armed Services Committee. In 1978 he served as administrative assistant to Senator Herman

Talmadge of Georgia. From 1975 to 1976, he served as a legislative assistant to Senator John Tower. He was an officer in the United States Navy from 1969 to 1975, serving for 3 years on the guided-missile destroyer U.S.S. *Sellers*, followed by 3 years at the Department of the Navy.

Mr. Ball graduated from the Georgia Institute of Technology (B.S., 1969). He is married, has one child, and resides in Washington, DC. He was born June 10, 1948, in Belton, SC.

## Informal Exchange With Reporters at Thomas Jefferson High School of Science and Technology in Fairfax County, Virginia February 7, 1986

*Q.* Mr. President, did the U.S. throw out the Duvalier [of Haiti] government?

*The President.* Do what?

*Q.* Throw out the Duvalier government?

*The President.* No, we're watching and hoping and waiting for them to develop something now that will restore order.

*Q.* What can the U.S. do to help move democracy along there, do you feel?

*The President.* I don't know, but I couldn't answer that specifically. But we're going to do everything we can to be of help.

*Q.* Is Duvalier welcome in this country?

*The President.* Well, he's never made any application to come to this country.

*Q.* If he were to ask, would we let him in?

*The President.* Well, he hasn't asked, and so we don't have to deal with that.

*Q.* Did you make it clear to him that he

was not welcome?

*The President.* No. He's welcome in another country and has gone already.

*Q.* Where is he going?

*The President.* What?

*Q.* Where is he going?

*The President.* I don't know whether I'm supposed to comment on that—France.

*Q.* After that? We understood that was temporary.

*The President.* We don't know. Well, all we know is France was the chosen spot, and that's where he's going.

*Q.* Do you feel that Haiti was essentially a right-wing Grenada and now moving it toward democracy is yet another triumph for you?

*The President.* Certainly there was—it was—at least it has to be called authoritarian rule, yes. They weren't very much of a model of democracy.

Q. Mr. President, are you pleased with the opportunity to try to foster democracy in another country in the hemisphere?

*The President.* As I say, we ought to be of help wherever we can in spreading democracy.

Q. Your eye is red, sir. What happened to your eye?

*The President.* What?

Q. —your left eye.

*The President.* Maybe it was looking at all those numbers without a contact lens in it. [Laughter]

Q. Mr. President, will the U.S. do any-

thing if [Philippine President] Marcos wins through fraud?

*The President.* If what?

Q. If Marcos wins through fraud, is there anything the U.S. can or would do?

*The President.* That's up to the Filipino people to determine whether they think they've had a fair election or not. I'm not going to comment any further on that.

*Reporters.* Thank you.

*Note: The exchange began at 11:14 a.m. following the President's tour of the computer science room at the high school. He was accompanied by Assistant Superintendent of Schools David Sawyer.*

## Remarks to Students and Faculty at Thomas Jefferson High School of Science and Technology in Fairfax County, Virginia February 7, 1986

Chairman Collier, Superintendent Spillane, Principal Murphy, Principal Volrath, Walter Culver, trustee of the Fairfax County Public Schools Education Foundation: It's great to be here with all of you at Thomas Jefferson High School. I remember telling Tom that—[laughter]—if he worked hard and applied himself, one day they might even name a school after him. [Laughter] Actually, I haven't been around quite that long. But things sure have changed, though, since I was in high school. But I bet there's one thing that hasn't changed: When they told you that you'd have to cancel scheduled classes for a special assembly, I'll bet you weren't too disappointed. [Laughter]

Well, you know, I have to say, speaking of schedules and changing things, over in Washington when you wake up and there's a little bit of snow, a sprinkling of snow and some ice out there, you know that for some reason or other schedules are going to get changed entirely and things are going to be canceled out just because of that weather and that sprinkling of snow. It always makes me think of the young fellow that was telling his girl how much he loved her. He said, "I'd climb the highest mountain to be

by your side. I'd swim the deepest ocean to see you. I'll be over Thursday night if it doesn't rain." [Laughter]

Well, I hope that maybe some of you got a chance to see the State of the Union Address to the Congress Tuesday night. My message was that the state of the Union is good and getting better all the time. And I am really convinced of that after what I have seen in your laboratories and classrooms here this morning before I came in here. America is the "A-Team" among nations, bursting with energy, courage, and determination. We went through some bad times back in the 1970's, times when big government policies threatened to derail our country and our elected leaders seemed to have lost the way. The American people brought us back with pride and patriotism and with the bedrock American values of freedom, faith, and family. They put this country back on track, and we're charging full speed ahead. America holds the future in its grasp. And we're not letting go because the future belongs to the free. To paraphrase Tom Jefferson, we hold this truth to be self-evident, there never was a better time to be young, alive, and American.



On the way here today, I was thinking of the changes I've seen in my lifetime and how they'll be dwarfed by the advances that you'll see in yours. Believe it or not, I can remember my first ride in an automobile. Most of the time, it'd been horse and buggy. The horse was very fuel-efficient but kind of slow. [Laughter] If you wanted to supercharge one, you fed him an extra bag of oats. [Laughter] But I can remember back when I heard my first sound over radio, and I was just entering high school. And down by the river, where a young man with some of the same qualifications that you have, an experimenter, had built himself a little crystal radio set. There were no such things as factory-built radio sets. There was a station in Pittsburgh, the oldest in the Nation—KDKA. And there we were out in Illinois, and finally, we'd walked all over town, several of us with him, while he fished around in the air with a hand-held aerial. And finally, we began to hear music, and it was this station in Pittsburgh, Pennsylvania. And yet, you know, it was just about 8 or 9 years later that that industry progressed to the point that I got a job as a radio sports broadcaster. And there were institutions and programs and people known nationwide because of the tremendous impact and growth of radio—and all in those few years.

Since then, the evolution of technology has become evermore rapid—each step of the way—making a better life for man on Earth. Medical technology is conquering one by one the diseases that have plagued mankind for centuries; biotechnology has invented new grains that are a winning weapon in the war against hunger. And as radio was to my youth, so computers and the information revolution will be to yours, opening up a seeming infinity of possibilities in your lives—possibilities your parents never would have even dreamt of.

So, I was thinking of how far we've come in this journey and the future. And, at the same time, my thoughts returned to the tragic events of last week—to our *Challenger* Seven who gave their lives so that we might reach for the stars. For all Americans, young and old, the loss of our astronauts was felt as a personal loss. We mourn their passing, and we'll continue to honor their

memories in the way our astronauts would have wished—by pressing on with their heroic example in our minds and perhaps a new appreciation of the sacrifice, courage, and faith that are the cornerstones of our free nation.

The truth is, uncommon valor is often a common virtue in this country of ours. America's the land of the free *because* she is the home of the brave. These United States are built on heroism and sustained and protected by it. We see it in the bravery of those defending our nation on the frontiers of freedom; the pilot landing high-performance fighter planes on the heaving deck of an aircraft carrier; the soldier on patrol on the Korean border, in Europe, or on a peacekeeping mission in the Middle East. We see heroism everyday here at home—the policeman answering a call, not knowing what danger awaits him behind a closed door; the fireman pulling lives from the flames of a raging inferno; the doctors and nurses laboring late into the night under hospital lights; the social worker battling drugs and despair.

Not all of us are called upon in our daily professions to face danger and hardship. But each of us has the same responsibility as the hero to live our lives with honor and dedication, to give a hundred percent to the tasks before us, and to know that every day our efforts are building the edifice of freedom and powering the engines of human progress. And don't ever underrate yourself. Someone has said, "Truly, the hero isn't braver than anyone else; he's just brave 5 minutes longer." So, whatever path you choose in life, whatever your calling, pursue it with your heart and soul. If you become an artist, disdain cynicism and have the courage to proclaim your faith. If you become an entrepreneur—that's a French word for being in business on your own—hold on tight to your vision, knowing that each setback is really one more step on the road to success. If you become a scientist, find joy in the process of discovery. Whatever path you choose, if it follows the light of hope, it will lead you confidently into the future.

You know, Tom Jefferson was a forward-looking fellow, and I'm sure he'd be proud

of this school. Assistant Superintendent David Sawyer took me on a fascinating tour of your computer systems laboratory. He tells me you're thinking of building an artificial intelligence lab here. I sometimes thought we could use a little of that in Washington. [Laughter] He also told me about the other labs where many of you'll be learning the skills of this new technological era: biotechnology, optics, and telecommunications. Let's take a moment, too, to thank the businesses and private individuals who have worked as partners in education with Thomas Jefferson High School. Many of those businesses involved in building the technology laboratories will be sending their scientists, engineers, and technicians to help teach in the labs, making the students of Thomas Jefferson some of the best trained leaders of the 21st century.

A new universe of possibilities is opening up before your generation. And one of the most hopeful is that science may become the ally of peace. Advancing technology, which originally gave us nuclear weapons, may one day make them obsolete. The currents of progress are sweeping us on to safety. The technology to create a high-tech shield against nuclear missiles is advancing far more rapidly than we even dared hope 3 years ago when we first announced the program called the Strategic Defense Initiative. I promise you I'll do everything within my power to move forward with research and testing of a high-tech, nonnuclear defense system so that the world you raise your children in will be safe and secure and free from fear. Let's use the wonders of technology not to make war but to protect the peace.

It's no accident that America is blazing the trail of progress through the 20th century and leading the race to the future. We live in a country that encourages enterprise and rewards initiative, a country where everyone is free to contribute and all can benefit from the success of others. Our society is inventive because we're free, and prosperous because each individual is secure to gather and keep the fruits of his labor. If we're ever mindful of our enduring principles—the natural rights to life, liberty, and property, spoken of in your Virginia Bill of Rights—then America will always be the

shining star among nations, leading the world on to a better tomorrow.

In my State of the Union Address, I mentioned another coming miracle of modern technology, a new hypersonic aerospace plane. I brought a model of that aerospace plane with me. This is truly the shape of things to come. I don't suppose that you could all see that very well, so I'll try to describe it for you. It looks a lot like the pictures of rocket ships that my 7-year-old grandson draws. For those more advanced in years, it'll remind you of something out of a Buck Rogers. And you might say it resembles a Concorde that's been straightened out and had its wings clipped. [Laughter] But it will make the Concorde seem slow. Taking off from a standing runway, it will cruise in the atmosphere at speeds of up to 25 times the speed of sound or fly into low-Earth orbit. The aerospace plane will be able to fly anywhere on the Earth in 3 hours or commute up to the space station that we will soon be building. And we should be conducting the preliminary test flights about the time the freshmen here graduate from college, toward the middle of the next decade.

I'm going to give this model, the first model of the aerospace plane that we've made public, to Thomas Jefferson High School as a symbol of the future that you, the students—[inaudible]. And I'm going to ask your teacher, Judith Garcia, one of the 10 teacher-in-space finalists, to come up and accept it for you. Now, I hope that she accepts it in the name of her friends, the *Challenger Seven*, as a promise that their vision lives on and that as long as the men and women of dedication, hope, courage, and faith in this country—as long as they're there, America will continue to take giant strides into the future. So, congratulations!

I slipped up. I was supposed to step over here for the cameras. [Laughter]

*Ms. Garcia.* Thank you, Mr. President. I'd like to take just a moment here, if I may, to commend you for your farsighted leadership as demonstrated by your continued support of the space program. And, also, I would like to express my appreciation for your concern that you share with teachers all over America to provide the finest edu-

cation possible for our young people.

It is a great honor for me to accept this model of the aerospace plane on behalf of Thomas Jefferson High School and School for Science and Technology. This model symbolizes the new and exciting challenges of the future which impact heavily on our present. Never before has science and technology evolved at such a pace, sometimes revealing answers to longstanding questions, but more often presenting us with ever greater mysteries to be solved and new worlds to be explored. For example, on January 24th, 1986, spacecraft *Voyager* passed by the planet Uranus, and in less than one-half a day we had learned more than astronomers had learned over a period of 200 years before.

The realm of human knowledge is expanding so rapidly that often our textbooks become obsolete before they leave the press. Never before in human history has the challenge to educators and students been greater or more critical. We, as a nation, are facing a serious dilemma. For although science and technology have progressed rapidly, the youth of our nation has slipped behind the young of other nations in preparing themselves in the areas of math and science.

We are now making conscientious efforts to remedy this very serious situation. But, as we do so, we must maintain a clear perspective of ourselves. We should encourage the study of science and math without neglecting the humanities. [Applause] Thank you. Our future in space and on the planet Earth will require ever-greater internation-

al understanding and cooperation. Already, other nations, such as Germany and Japan, are working with NASA as partners on the space station. On Earth, our aerospace plane will enable us to cross continents and oceans in just a couple of hours, bringing faraway countries ever closer to us. Indeed, teachers are being challenged as never before as our nation entrusts our most precious resource, our children, to our tutelage.

But the burden of education does not rest solely on the teacher. Christa McAuliffe often stated with great pride, "I touch the future, I teach." I would like to leave the students here with this thought: As you learn, you build the future. Education is a partnership requiring responsibility, cooperation, and diligence from both the instructor and the student. And we must certainly not neglect the vital role parents play in the learning process as well.

The frontier of space beckons irresistibly to us to explore its planets and moons, to search for life in other solar systems, and to marvel as the secrets of the universe are revealed to us. The courage and the dedication of the *Challenger* crew of seven will serve to inspire and guide us as we continue their journey to the stars.

Thank you.

*Note: The President spoke at 11:47 a.m. in the school gymnasium. In his opening remarks, he referred to Mary E. Collier, chairman of the Fairfax County School Board; Robert R. Spillane, Division Superintendent; Richard L. Murphy, the school's former principal; and Raymond Volrath, principal of the new, specialized school.*

## Question-and-Answer Session With Students at Thomas Jefferson High School of Science and Technology in Fairfax County, Virginia February 7, 1986

### *Funding for NASA*

**Q.** Good afternoon, Mr. President. What effect will the space shuttle tragedy have on NASA's funding?

**The President.** I don't think that it is going to have any effect with regard to, for

example, withdrawing of funds or not; and certainly, I will oppose and fight any effort to do that. I think you might all be interested to know that on the day of the tragedy, I phoned the families, all of them that were present on there. And without exception,

all of those grief-stricken people that I talked to said to me: "You must continue the program. This is the way they would have wanted it." And we are going—it will be delayed for a while because of the investigation to make sure we don't have the same thing happen again, while we try to find out the cause of the accident. But, no, I'm going to continue to fight for funding our space program and going forward with the space station.

Q. Okay, thank you.

#### *Views on the Presidency*

Q. Good afternoon, Mr. President. From your boyhood on into manhood, did you ever have dreams or ambitions of becoming President of the United States, or was your decision to go into politics a response to world affairs?

*The President.* I have to tell you that, no, I never thought about politics or anything. In those years, when I went from radio sports announcing to Hollywood and to motion pictures, I was very happy in my work. And if anyone had ever suggested to me that I would do this, I would have bet the house and farm I wouldn't. But I did always believe that you had to pay your way. And I've been blessed in a number of ways, and so—in Hollywood, if you don't sing or dance, you wind up as an after-dinner speaker. [Laughter] And so I did that, and I always tried to campaign for candidates and causes that I believed in.

And I made a speech in behalf of a Presidential candidate [Barry Goldwater] that was broadcast nationwide in 1964. And the next thing I knew I was being assailed by people to run for Governor of California. And I thought they were wrong. And I told them over and over again, I'll campaign for someone else. And they kept insisting that I was the only one that could win for our party in that election. And finally, I began to think, well, if they're right and I'm wrong, will I ever be able to sleep again if I don't do it? So, Nancy and I spent some sleepless nights, and finally I said all right.

And, you know, looking back, I think that I said all right, thinking all I had to do was win the election and then that would be all over, and I'd go back to doing what I was doing. [Laughter] I found out I got the job.

But I must say, after several months of that, we both looked at each other and said that this was the most exciting thing we'd ever done in our lives—to not just be making an after-dinner speech about it, but to be dealing with the problems themselves. And so, I am most grateful that my course changed.

#### *Prayer in Schools*

Q. Good afternoon, Mr. President. My name is Dawn Lee. The Constitution calls for the separation of church and state. In your State of the Union Address you proposed making prayer in schools legal. With so many different cultures and religions in our nation's public schools, how can you make prayer in schools legal?

*The President.* All right. Let me just say, and let me give you just an example that I happened to mention the other day. On that tragedy that happened last week, and that I mentioned, all over this country—in city halls, in statehouses, in the offices of the Nation's Capital here—people stopped and prayed for the seven who had lost their lives. And yet you, the young people in schools, were denied that privilege to do that in your own schools. I have never asked for a doctrinaire prayer or a school to dictate a prayer or how anyone would worship. I have simply said that I believe that students should have the right and privilege to voluntarily pray within school if they want to. And that's up to them, and no one that doesn't care to or whose religion is different—they can pursue their own courses. But I don't think there should be anyplace in this nation where anyone is denied the right to appeal to whatever God they worship.

Q. Thank you, Mr. President.

*Mr. Rumberger.* Mr. President, we're running a little behind. We have time for one last question, sir.

*The President.* All right. I'm sorry. I should have not talked so long.

#### *Scientific Experiments in Space*

Q. Good afternoon, Mr. President. Is there any chance of sending a civilian up in space again? If so, will it be a teacher to fulfill the dream of Christa McAuliffe?

*The President.* Yes. I don't believe that

this tragedy in any way should affect the policy that we had that space, if it is the last frontier, and it should not just be left to individuals—scientists or career people who are going up there simply to explore in space.

There are so many experiments that have given already so much to us. For example, we know in one disease, diabetes—and so far incurable—we have reason to believe from experiments done already in the shuttle program by scientists that have gone up with the astronauts that it is possible, if there is a space station, to manufacture a medicine that will cure diabetes. Already, however, from the things we have learned there, we are able to monitor heart patients who are going about their daily work. And yet with a piece of equipment perfected there, their doctor can be seeing at what time of the day this individual showed stress that could be affecting his heart condition, and then could say to the patient on the next call, “All right, what were you doing at 2 o’clock in the afternoon?” and thus determine what are the things in the person’s lifestyle that are causing the stress that endangers the heart. We’ve even gone so far as to develop a fabric in experiments up in space that is going to cut hours and hours every day off the time that fishermen have to stay out there—commercial fishermen—with their nets. It is an improved fishing net, believe it or not. So—we even also have another implant that we can make for a patient that requires—well, like insulin shots. And this will be computerized, implanted, and will automatically inject in the necessary glands the medicine that is needed, without having to go into an office and have shots given and so forth.

So, no, space belongs to all of us and to the people. And the people can benefit. And, you bet, teachers are still on the list to go up.

Q. Thank you.

Mr. Rumberger. Thank you, Mr. President, for your time. We realize you are running a little late and you have a State Department luncheon to attend. We have just two further presentations for you, sir.

The President. All right—

Mr. Rumberger. Mr. President, you’ve honored us here today, and we thank you for coming to visit with us. On behalf of our students and our faculty, we have a gift to you. And Mr. Murphy and I would like to present that to you. And I’d like to read this to the audience so you’ll know what we’re giving the President. And it’s a framed, inscribed quote from one of his old friends. It’s Thomas Jefferson. And it says, “I have long entertained the hope that this, our native state, would make an establishment where every branch of science deemed useful of this day should be taught in its highest degree.” Presented to Ronald W. Reagan on the occasion of his visit to the Thomas Jefferson High School and the Thomas Jefferson High School for Science and Technology, February 7, 1986.

The President. May I just say a goodbye, and I know I’m late and I’m going to have to run, but I just want to tell you what this morning has meant to me in meeting all of you and seeing what you’re accomplishing here. I am so much more optimistic about the 21st century than I was when I came here this morning—and I was pretty optimistic then. And you have done that. And you’ve convinced me—I’m going to stick around for a good part of that century. [Laughter] Thank you.

Mr. Rumberger. Mr. President, we have one final gift to you from our students.

*Note: The exchange began at 12:06 p.m. in the school gymnasium. Afterwards, the students sang “Happy Birthday” to the President. Dale Rumberger was a special-projects teacher at the school.*

## Proclamation 5439—Small Business Week, 1986 February 7, 1986

*By the President of the United States  
of America*

### *A Proclamation*

The business of America begins with small business—millions of men and women, bold and imaginative self-starters, seizing opportunities and providing the jobs that help to ensure that our Nation will remain economically strong and free.

The flexibility of small business people is exemplified by their willingness to adapt to change, their determination to test untapped markets for new products and services, and their ability to contribute to the competitive marketplace in such a way as to improve efficiency, thus benefitting the consumer and spurring economic growth. Nothing characterizes the American economy better than our 14 million small businesses. They should be a source of pride for all Americans.

It is especially gratifying that in recent years greater numbers of young Americans are preparing for careers in independent business. Their innovative entrepreneurial spirit has brought a new excitement to the campus and to the marketplace. All Americans can take hope from their optimism, their creativity, and their impressive achievements.

This year, thousands of business owners will express their views at State preparatory sessions for the National White House Conference on Small Business—an example of free enterprise at its best. The recommendations prepared by the delegates to the National White House Conference in August will help us in formulating a small business agenda designed to make sure that our economy continues to grow and to prosper. All Americans benefit when small business is the force behind a vigorous and expanding economy.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of May 18 through May 24, 1986, as Small Business Week and ask that all Americans join with me in saluting our small business men and women by observing that week with appropriate activities.*

*In Witness Whereof, I have hereunto set my hand this seventh day of February, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:39 p.m., February 7, 1986]*

## Statement on the United States District Court Decision on the Constitutionality of the Balanced Budget and Emergency Deficit Control Act of 1986 February 7, 1986

Today a three-judge panel of the U.S. District Court for the District of Columbia upheld the validity of the Gramm-Rudman-Hollings act. As we had expected, however, the court found the sequester mechanism of Gramm-Rudman-Hollings unconstitutional. When I signed the bill last December, I expressed concern over the constitutional

questions raised by this provision, which gave the Comptroller General power to exercise executive authority in calculating the deficits that trigger sequestration.

This court decision does not invalidate Gramm-Rudman-Hollings, nor does it diminish the determination of this administration—or the responsibility of Congress—to

meet the Gramm-Rudman-Hollings targets for deficit reduction, targets set by Congress and agreed to by our administration. If the Supreme Court affirms this decision, there is a valid fallback provision in place whereby Congress is empowered to affirm the \$11.7 billion automatic cut already agreed to in the FY 1986 sequester, and we would expect the Congress to live up to its responsibility. I also urge the Congress to go forward to meet the schedule and deficit targets for fiscal year 1987 and beyond.

No matter what the outcome of the current court arguments, I will continue, until the day I leave this office, to submit bud-

gets that meet the Gramm-Rudman-Hollings targets. All we need to honor both the spirit and letter of Gramm-Rudman-Hollings is congressional action. This court ruling is no excuse for walking away from our responsibility to bring Federal spending under control. We made an agreement; let's live up to it. We've given the American people our word. We cannot let them down.

*Note: Larry M. Speakes, Principal Deputy Press Secretary to the President, read the President's statement to reporters at 5:10 p.m. in the Briefing Room at the White House.*

## Radio Address to the Nation on the Fiscal Year 1987 Budget *February 8, 1986*

*My fellow Americans:*

If you listened to my State of the Union Address this week, you heard what will be my number-one priority in the budget debate this year: to cut the fat out of the Federal budget and to stop anyone trying to cut the heart of your family budgets. As a matter of fact, I want the Federal Government to leave the family budget alone. As you may know, a law recently passed by Congress, Gramm-Rudman-Hollings, mandates steadily declining deficits each year. Currently, this law is being challenged in the courts. But whatever the outcome, we intend to go forward with our plan to bring the budget into balance by 1991 without undercutting the progress we've made in defense, without cutting Social Security or essential support programs, and without raising your taxes.

But a funny thing happened on the way to Capitol Hill. Those who've carped loudest about the need to cut deficits suddenly cried "foul" when confronted with real proposals to cut deficit spending and eliminate government waste. Think of it—self-proclaimed deficit warriors saying that a nearly trillion-dollar budget, a sum too staggering to comprehend, more than double what government spent only 10 years ago, is so inadequate it would wreak havoc through-

out the Nation.

So, once again, as they do year in and year out, they trot out their tired old litany: Tax increases are unavoidable. Well, is that so? Let me give you some facts about how a little cooperation and common sense can put us on a glide path to a balanced Federal budget without harming your family budgets or hurting any American truly in need of assistance. We begin with the projected deficit for fiscal year 1987—\$182 billion. Under Gramm-Rudman-Hollings, we must reach a deficit target of 144 billion. So, that means we need to cut the deficit by \$38 billion to get down to the 144 billion target.

Where will we get the 38 billion? Well, we're going to raise a portion by holding a little garage sale to get rid of some of our business ventures operating under government subsidies that are better left to the private sector. We're going to sell our train set, better known as Conrail. It's high time government got out of the railroad business, and that includes subsidies to Amtrak. We can no longer justify paying subsidies of about \$33 for every passenger who boards an Amtrak train, or funding a system in which three-quarters of the stations board fewer than 50 passengers a day, or asking taxpayers to pay 25,000 employees who provide Amtrak services for only an aver-

age of 57,000 riders per day.

We're also going to raise some \$2 billion in user fees, making sure government gets paid for government services when those services benefit special interests. For example, the U.S. Army Corps of Engineers spends almost \$3 million every day to operate and improve our harbors and inland waterways, yet commercial cargo carriers pay only 10 percent of that cost. Contrary to what you've heard, defense is not off-limits. We're cutting \$3 billion there; that's \$3 billion below the level Congress agreed to in August.

The balance of deficit reductions we need to make to get down to \$144 billion will come from \$22 billion in program cuts. Now, 22 billion is a lot of money, but it's only about 2 percent of our total budget. Take out items we won't touch, such as Social Security and interest on the debt, and the cuts we're proposing come to about 5 percent of the remaining budget—5 cents on the dollar. That's what we're asking Congress to cut. If Congress can't cut 5 cents on a dollar, they should never again utter a word about budget deficits.

Let's face it, there's a ton of fat in this trillion-dollar government. I'm talking about

government spending over \$2 billion for a Los Angeles mass transit system, about as much as government could collect in revenue from all the individual income taxes paid in the State of Mississippi this year; or government spending \$230 million a year for a job placement program that duplicates other programs and has failed to help workers adapt to a changing economic environment.

My fellow Americans, we're poised for an historic reversal against rising deficits. The collapse we're witnessing in oil prices will give America's economy a tremendous boost—stretching your take-home pay further, reducing cost to industry, and making it easier for all to invest for our future. So, toss out conventional wisdom and get ready for a banner year. Already, unemployment is down to 6.6 percent, below our own projections for 1986. We're going to reach our deficit targets. We're going to preserve essential services and keep America strong. And we're not going to let anyone raise your taxes—period.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.*

## Message on the Observance of the Lunar New Year, 4684 *February 8, 1986*

I am delighted to extend warm greetings and congratulations to all those celebrating the Lunar New Year, the Year of the Tiger, 4684.

Our nation has been richly blessed by its citizens of Chinese, Korean, and Indo-Chinese ancestry. Their contributions, in every field of endeavor, are playing a major, constructive role in the development and preservation of America's greatness. With one of the most ancient, venerable, and rich cultural legacies, Asian Americans preserve the wisdom of their forefathers, while working for the goals we all share for this great land.

America's true strength lies with its people, and the diverse origins of our citizens form a major part of that national asset. Liberty is rooted in tolerance and appreciation for the customs and values of others. Asian Americans uphold that creed by safeguarding a noble past rich in moral and cultural treasures. This year, in which heaven smiles on the builders, let us work together to build a better society for all Americans.

Nancy and I wish you a happy and successful Year of the Tiger.

RONALD REAGAN



## Remarks and a Question-and-Answer Session With Regional Editors and Broadcasters

*February 10, 1986*

*The President.* Good afternoon, and welcome to the White House. It's an honor to share this time with you and to be able to speak through you to the millions of people whom you and your news organizations serve so well. And if you'll forgive me, during lunch I overheard one or two references to my age. And it's true, as of last week, I'd been around for three-quarters of a century. And many of you have quoted the fact that I said that's only 24 Celsius. But I have another description of it, also: that if I'm ever in need of any transplants, I got parts they don't make anymore. [Laughter]

But age represents a certain fullness of human experience and brings its own advantages. In the office I hold, it helps to put into perspective not just the issues of the day but the march of the decades. When we first came to Washington in 1981, debate had been conditioned by the long, liberal experiment that began in the 1930's, the New Deal, the Great Society, the so-called War on Poverty—which we lost. It had become a working assumption in this town that nothing of lasting value could be achieved without a further expansion of government, a further subsuming of the private lives of individuals and families into the vast programs of the social and economic planners. And I have often said that a government program once launched is the nearest thing to eternal life we'll ever see on this Earth.

But I happen to have been around too long to become enthusiastic about government growth. Of course I remember the government of the New Deal, but I remember an earlier America as well, an America in which the essentially private values of the individual, the family, and the community commanded the day. Taxes during my formative years were low. Indeed, the 1920's saw dramatic tax cuts, and government regulation of the economy was slight. As a result, through much of that period, the Nation experienced buoyant, good

health; and throughout most of the twenties, the economy grew. Astonishing technological progress took place, including advances in the automobile, radio, and remarkable materials like plastics. Although the period is sometimes caricatured as a time of cultural intolerance, immigrants actually made tremendous advances in all walks of American life. Joseph Kennedy, son of an Irishman, founded his family's fortune. Sam Goldwyn, a Jew from Eastern Europe, started MGM; and, incidentally, all the stories about his malaprops are true, but he was a great producer and organizer.

And of course, it would be undesirable to go back to that era. Life then was simpler, but it was harder. And yet, when in the late seventies the liberal entertainment—or experiment, I should say, had last wound down, when the ceaseless expansion of economic growth and weakness had ended—or eroded our foreign policy, I believed it was time to return government to its few and legitimate duties, time to reassert private values and the importance of the family. In our first term, we cut taxes, and we started to rebuild our defenses. Today the economy has seen 38 months of growth, and as freedom movements in Nicaragua and elsewhere attest, there is new hope for the cause of liberty around the world. Now we must take the next steps, steps which I outlined in my State of the Union Address.

To end deficit spending, we must meet the limits set forth in the Gramm-Rudman-Hollings legislation. As you know, this legislation is being challenged in the courts. But whatever the outcome, we intend to go forward with our plan to bring the budget into balance by fiscal 1991. We must also give to the Presidency a line-item veto and pass a balanced budget amendment to the Constitution.

In defense, we must remain strong, refusing to undo all the progress that we've made during the past 5 years. And we must push forward with research and testing on the Strategic Defense Initiative. This initia-

tive holds out perhaps the brightest hope of my lifetime—the hope of making nuclear missiles obsolete.

A progrowth tax reform must be passed. And in view of the plight of the poor, especially the breakdown of the poor family, we must engage in a thorough reform of our welfare system. In our country today there are neighborhoods where the American trait of self-reliance has been blotted out by government dependency. There are city blocks where families have virtually no experience of fathers, just of mothers struggling alone in poverty to raise their children. As I said in the State of the Union Address, we must reform welfare to provide real and lasting emancipation, because the success of welfare should be judged by how many of its recipients become independent of welfare.

In short, in our agenda for the future, it's our aim to apply to the challenges of the day the eternal values that have made our nation great: family, self-reliance, and individual freedom. Together, we can advance the cause of liberty and make America a land of unparalleled prosperity and dazzling technological progress. There's a line in the movie "Back to the Future" that sort of sums it up: "Where we're going, we don't need roads."

I know I've got only a few minutes left, but I can take a few questions. And if you don't mind, before your hands, there's one someplace over there in the room that I'm going to call on. There's a young man from Clearwater High School who had a date with me for an interview last July, and then, I don't know, they started doing some cutting up over at Bethesda, and we had to cancel it. I think if Scott McQuigg is here we'll give him the first question. Scott?

#### *Advice to Young People About the Future*

Q. Thank you, Mr. President. I'm from the Nickelodeon Kid's Network. And you spoke quite a bit about the future in your State of the Union Address. We were wondering what your thoughts were when you were a teenager growing up in the 1920's, what your thoughts were about the future, and what advice you would give to young people today about the future that could possibly hold nuclear war, living in outer

space, and the loss of natural resources. What would your thoughts and advice be to young people?

*The President.* Well, my advice would be that you stick to your dreams and determine that you're going to make them come true. Yes, when I was growing up back in that period—and I have to tell you, I make no apology for our generation. Very few generations in all history have presided over a transition, and the generation of which I am a member has been one of those generations. I can remember my first automobile ride; up until then it was horse and buggy. And I can remember when radio first came into being and things of this kind. But from that, within a single lifetime, all the way to a man on the Moon and the other things that we're doing out there—you will see things in your lifetime greater than we've ever seen that we can't imagine, but I don't think you will span quite a change that we did.

No, when we were young and growing up in the twenties, everything was going great. It was in the aftermath of World War I. I was young enough to remember that war. We remembered it and all and the horror of it, and we believed the thing that there must never be another such war, that we'd fought the war to end wars. So, your dreams and your ambitions centered on where you wanted to go and what you wanted to do with your life. Then, of course, came that black October Friday, 1929, and I was just entering college at the time. And as I said here at our own table, no one who didn't live through it can ever quite imagine the experience of the Great Depression and what it was like: 25 percent of your work force unemployed, and at that time there had never been any such things as unemployment insurance or welfare programs or anything. The Nation was caught in an era where suddenly they had these great problems thrust upon them and had to do something almost of an emergency nature to take care of it.

But we've come through that and come through another great war. And I have to believe that the future does look bright for our nation and for the world. So, keep your dreams; don't give 'em up.

### *Nuclear Waste Disposal*

Q. Mr. President, I'm Dick Smyzer from the Oak Ridger in Oak Ridge, Tennessee. My question is a regional one, but it has national implications, because it has to do with nuclear waste.

The Department of Energy has decided that a way station for spent nuclear fuel elements would be very helpful toward solving these waste problems. They picked our community as a location for it. A citizens group of our community and our city government is all in favor of this facility, but the Governor of our State says that we can't have it because it will blight our area. Now, the Congress will ultimately decide, but I wonder what your position might be relative to this facility?

*The President.* Well, we have a necessary problem, and I know that, you know, everyone is going to say, "Do it in somebody else's backyard, not ours." And I know that part of this is because in the beginning we didn't understand all the ramifications, so we did things carelessly—not knowing we were being careless—that resulted in ultimate tragedy. Those who had to do with the beginning of the x ray later died of the effects that they did not know, things that were being done to them.

But I would think today we know we have this problem; we know we have a technology that we've never had before. And I think that we can guarantee that every precaution will be taken so that this will not become a hazard to anyone. And we have to recognize that this must be disposed of, and at the same time that I think our high technology goes forward that we will probably develop ways in which we can do better than just throwing it away in a wastepile. But I would have to say that we've got to have the confidence someplace along the line that we know enough now that we're not going to make this hazardous threat to any section of the country. But some places are the ones that we're going to have to pick.

### *Coast Guard Budget Cuts*

Q. Mr. President, first of all, a belated happy birthday to you from WNLC in Connecticut, which is celebrating its 50th birth-

day.

*The President.* Thank you.

Q. And I want to ask you a question relating to the Coast Guard, which is very important to our area—[*inaudible*]. Under Gramm-Rudman the Coast Guard is going to suffer major cutbacks, under your budget as well. And, now, when the shuttle exploded, it was the Coast Guard that went out there and did the work. Where the Trident submarine is manufactured—[*inaudible*—in our hometown, also the Coast Guard is the one that sweeps the harbor for mines. If you're going to cut back on your budget, they are going to cut back on boats, and they're not going to be able to protect our harbors the way that boaters, which still need—[*inaudible*—the way that our submarines and our commercial harbors need to be protected. I'd like to know your opinion on perhaps maintaining the Coast Guard budget where we can keep them?

*The President.* We're not going to let that kind of a setback or cutback come to the Coast Guard. Remember that part of the budget that we're presenting is based on not only cutting of costs where we can but also in some additional revenue by way of—not taxes—but by way of things that we believe where there should be fees, rather than the taxpayers bearing a certain thing—the beneficiaries of certain services—fees. And I can assure you, we have no intention of gutting the Coast Guard.

And I have to tell you that there is, among my military aides now, is a Coast Guard Commander; and she is not only the first member of the Coast Guard that's ever been a Presidential military aide, she's also the first woman that has ever been a military aide. And the other day I was teasing her a little bit about something to do with the Navy and my having come from a meeting with an admiral, and I loved her answer. She said, "In the Coast Guard, we consider we're the unit around which the Navy gathers in times of emergency." [*Laughter*] We're not going to do that. And a lot of this that you're hearing about the budget—people are saying it who haven't even read the budget yet.

### *Philippine Presidential Election*

*Q.* Mr. President, Ed Offley of the Seattle Post-Intelligencer. How concerned are you, sir, over allegations of voting fraud in the Philippine elections?

*The President.* Well, I think any of us would be concerned. On the other hand, all we can do—and I'm not going to really comment in detail on the evidence of that, because we do have our observers who are coming back, Senator Lugar and his aides, and I will be meeting with them—they should be getting in sometime tonight—as soon as I can for whatever evidence they have. But I think that what we have to watch for is that, in spite of all these charges, there is, at the same time, the evidence of a strong two-party system now in the islands, and we certainly are accustomed to that. We want to help in any way we can. That, once the election is over, that the results of the election then go forward and that the two parties can come together to make sure the government works, and that we can retain the historic relationship that we've had with the Philippine people and the Philippine Islands. But actually, the election—that is for the people of the Philippines to decide and not for us to interfere.

### *Security of U.S. Technology*

*Q.* Mr. President, John Bowman from Champaign, Illinois, the News Gazette. In Champaign and in Urbana we have the University of Illinois, where we have a super computer. And there's quite a controversy over the use of that in this regard: Some of the people involved with the computer are willing to share that resource with the Soviet Union, or academicians from the Soviet Union or other foreign countries. There are a lot of people in the community who do not think that they should do that. What is your position on that type of a resource?

*The President.* Well, I'm not technologically gifted in that way. I haven't even been able to learn to use a pocket calculator yet. [Laughter] But I do know that there are some things in high technology that we must guard and that we cannot allow to be revealed where they would have a military

use and could be put to work that way. And as long as we're still trying to reduce arms in the world, and when we get to the point that—if we can get to it where we have an agreement and we begin to eliminate arms and know that this might be some evidence that we can continue to exist in the world peacefully, then we might be able to change our attitude. But right now we've seen the results of some thievery of our high-tech secrets. I think we have to use restraint in how available we make them.

*Ms. Mathis.* Last question.

### *Issues Facing the Presidency*

*Q.* Mr. President, in 1980 you said in campaigning for the White House that there were not any easy answers, but there were simple ones. After 5 years in the White House, do you feel the same way, or has serving in the White House changed your view at all? St. Louis Post-Dispatch.

*The President.* No. There are simple answers to a great many things that we've made unnecessarily complicated, but they're not easy, as our effort to get this present budget indicates. Right now with this budget and all the abuse that it's receiving and having signed it—and I know how thick it is—I have to believe that a lot of the people that are criticizing it haven't read it. But here is a budget that is almost a trillion dollars. And the total cut of that budget that we're asking for is about 2¾ percent. Now, don't tell me that there isn't any business or household budget or anything else that can't find 2¾ percent fat that can be done away with.

But I do believe that, for example, we've complicated the whole field of social reforms for the needy—complicated it by a variety of programs, tried to keep too much management in the hands of Washington over this whole vast diversified country, instead of giving much more ability to determine how the programs run at the local and State level. And the result is that we've created problems—when I made the crack in my remarks that poverty lost—or poverty won in our programs. The whole system seems to have resulted now in people into the third and fourth generation of being on welfare.

And to me, it is a simple answer to say let's evolve a welfare plan that is aimed at salvaging people and making it unnecessary for them to be on welfare, and then be able to boast at the end of each year how successful the program had been by how many fewer people had to be there. And I think of that as a simple answer. Any one of us, if we had a neighbor and had fallen on hard times or something, yes, we'd help them. We'd probably help with food and whatever was necessary. But at the same time, our main effort would be directed at how can we get them back on their feet so we don't have to continue doing this. And I think that most of the people on welfare want just that. They would like nothing better than to be independent and out on their own.

But, again, having created the programs and a gigantic series of bureaucracies to run them, I have a terrible feeling that sometimes the prime order of the bureaucracy is preserve the bureaucracy.

Q. Do you want your administration to be remembered, perhaps, by that statement, which nobody else in American life has come along with in 50 years?

*The President.* Well, I am quite sure that—I don't know about you—but, knowing about the White House press corps, I'm quite sure nobody would ever let me forget it. So—[laughter]—but, yes, if we can come up with a system that does that, if we can come up with a system—we tried an experiment when I was Governor in California—I know this is my last go-round, and I know you're getting impatient here and—and finally all we could get was permission from Washington for an experiment, and that in only part of our State. They wouldn't let us do it in the two big cities, San Francisco and Los Angeles, but we could do it—35 of our counties. And it was a program simply to let able-bodied—or make able-bodied welfare recipients work in return for their welfare grant. Now, it didn't cost an extra penny.

We then sent to these 35 counties and to the communities therein a request; and we said, submit to us a list of the things that you would be doing if you had the money and the manpower. No boondoggles. So, we got back from each one of them lists of

things that sounded pretty sensible that would be nice if somebody could do this for the government or the community. And we okayed these and said, "The money's already there in welfare, and you're going to have the manpower." And then we ordered these welfare recipients in each county to report for work at these various projects. So we wouldn't conflict with minimum wage, they only had to work 24—or 20 hours a week, not 40. But the other 20 hours had to be spent in either looking for private employment or taking job training and improvement.

Then we assigned some people from our Labor Department, gave them each a list of these people. And they were to watch them and what they were doing and see how fast they could move them out of those jobs into private enterprise jobs. And in the midst of the 1973–74 recession, we put 76,000 welfare recipients into private enterprise jobs through that program. Didn't cost an extra penny to anyone.

And the other gain that we made was we did find that in any great government program—you know, as Milton Friedman, the economist, said, if you start paying people to be poor, you're going to have a lot of poor people. And we found that thousands of people who'd gotten the order to report for work never showed up, and we stopped their welfare checks. And we never had a single complaint. And the only thing I can conclude is that some people were collecting under more than one name, and when they had to show up in person, they couldn't do it. And they didn't dare complain then, when we cut off their checks. So, the savings was double.

Now, I thought that was a kind of a simple solution. And today, as a result, we've passed the word from Washington, and any number of States are doing the same thing now within their States. And, in fact, Governor Dukakis of Massachusetts was explaining how this worked in his State just the other day on television. So, well—

#### *State Lotteries*

Q. Mr. President—

*Ms. Mathis.* Thank you—

Q. —should States be in the business of

sponsoring family—i.e., statewide lotteries? California has just recently enacted one, and Florida appears about to.

*The President.* I know, and I think maybe from the tone of your voice I feel that—[laughter]—I feel the same way. I was kind of sorry when I saw California do that. It was talked about when I was there and was Governor. And call me a prude if you want to, but I just think that there's something a little bit undignified in appealing to people's desire to gamble of a State to raise its revenues, and it ought to be able to raise them the legitimate way. I have to tell you I don't exactly like the idea of government engaging in gambling.

*Ms. Mathis.* Thank you, Mr. President.

*The President.* Well, I have to leave. I'm sorry. I know there were a lot more hands. What time is it? Oh, Lord, I am way late. Is yours just going to be a short one?

#### *Holocaust Council Appointment*

*Q.* Yes, mine's very short, mine's very short. I come from Spokane, Washington.

There's a significant gypsy population in our area. They understand that you have 10 appointments to make to the Holocaust Council, and they're asking if a gypsy, who's never been on the Holocaust Council before, if a gypsy might be appointed among one of the 10 appointments that you have now?

*The President.* Let me look into that. I never thought of it, because you're absolutely right that the gypsies were as persecuted as any people were by the Nazis in World War II. They were almost totally victims of the Holocaust. Let me look into that. I will.

I have to leave now. I'm sorry. Thank you all very much. Thank you.

*Note: The President spoke at 1:05 p.m. at a luncheon in the State Dining Room at the White House. In his remarks, he referred to Lt. Comdr. Vivien S. Crea, Coast Guard Aide to the President. Susan K. Mathis was Special Assistant to the President and Director of Media Relations.*

## Nomination of Barbara Lerner To Be an Assistant Secretary of Education

*February 10, 1986*

The President today announced his intention to nominate Barbara Lerner to be Assistant Secretary for Civil Rights, Department of Education. She would succeed Harry M. Singleton, who has resigned.

Since 1981 Dr. Lerner has been president of Lerner Associates and has been on the New Jersey Advisory Committee to the U.S. Commission on Civil Rights since 1985. She was with the Educational Testing Service in Princeton, NJ, as a senior research scientist (1980–1981) and a visiting scholar (1978–1979), and served as an adviser on several

joint committees with the American Psychological Association and the American Educational Research Association for testing standards. She was an associate professor of psychology at Roosevelt University in Chicago (1972–1974) and at Ohio University in Athens (1968–1970).

Dr. Lerner graduated from the University of Illinois in Urbana (B.A., 1956) and the University of Chicago (M.A., 1961; Ph.D., 1965; J.D., 1977). She is single and resides in Princeton, NJ. She was born March 31, 1935, Chicago IL.

## Appointment of 14 Members of the President's Commission on Executive Exchange, and Designation of the Chairman February 10, 1986

The President today announced his intention to appoint the following individuals to be members of the President's Commission on Executive Exchange for terms of 2 years:

*David T. Kearns*, of Connecticut. Upon his appointment, the President will designate him Chairman. He is chairman, president, and chief executive officer of Xerox Corp. He was born August 11, 1930, in Rochester, NY, and now resides in New Canaan, CT.

*John Fellows Akers*, of Connecticut, is president and chief executive officer of IBM Corp. He was born December 28, 1934, in Boston, MA, and now resides in Westport, CT.

*Robert Anderson*, of Pennsylvania, is chairman and chief executive officer of Rockwell International Corp. He was born November 2, 1920, in Columbus, NE, and now resides in Pittsburgh, PA.

*James A. Baker III*, of Texas, is Secretary of the Treasury. He was born April 28, 1930, in Houston, TX, and now resides in Washington, DC.

*James E. Burke*, of New Jersey, is chairman of the board and chief executive officer of Johnson & Johnson Co. He was born February 28, 1925, in Rutland, VT, and now resides in Princeton, NJ.

*David W. Christopher*, of Pennsylvania, is the Ohio Valley area practice partner for Price Waterhouse Co. He was born February 13, 1930, in Coraopolis, PA, and now resides in Pittsburgh, PA.

*Ralph P. Davidson*, of New York, is chairman of the board of the publishing company of Time, Inc. He was born August 17, 1927, in Santa Fe, NM, and now resides in New York City.

*Max L. Friedersdorf*, of Florida, is consul general of the United States of America in Bermuda. He was born July 7, 1929, in Grammer, IN.

*John Samuel Ludington*, of Michigan, is chairman and chief executive officer of Dow Corning. He was born May 7, 1928, in Detroit, MI, and now resides in Midland, MI.

*John K. McKinley*, of Alabama, is chairman of the board and chief executive officer of Texaco, Inc. He was born March 24, 1920, in Tuscaloosa, AL, and now resides in Darien, CT.

*Fred W. O'Green*, of California, is chairman and chief executive officer of Litton Industries, Inc. He was born March 25, 1921, in Mason City, IA, and now resides in Los Angeles, CA.

*George Adams Roberts*, of California, is president of Teledyne, Inc. He was born February 18, 1919, in Uniontown, PA, and now resides in Santa Monica, CA.

*David M. Roderick*, of Pennsylvania, is chairman of the board of U.S. Steel. He was born May 3, 1924, in Pittsburgh, PA, and now resides in Pittsburgh.

*William B. Walsh*, of Virginia, is founder and president of Project Hope. He was born April 26, 1920, in Brooklyn, NY, and now resides in Bethesda, MD.

## Remarks at a State Department Reception Honoring Maureen Reagan February 10, 1986

Well, I want to thank Secretary Shultz and Assistant Secretary Keyes for hosting this reception and all of you for coming by this evening. And I can't tell you how much fun it is to spring this little surprise on Maureen. [Laughter] Some of you may think it a little unfair to catch her off guard like this, but I can assure you I'm only returning a favor she's been doing for me all my life. [Laughter] The truth is, Maureen's

been surprising me and making me very proud for a very long time.

If you'll just let me tell this one little story. I think all of you know that when a candidate for President gets the required number of votes at a political convention, it's traditional for the press and the cameras to come bursting into his hotel room for pictures of the family celebrating. Well, back in 1980, when we were in that gigan-

tic Renaissance Center in Detroit, I noticed just before the magic moment that everybody in the Reagan clan was there except Maureen. And naturally with only a few minutes to go, I started asking everyone, I'd say, "Where's Maureen, where's Maureen?" And I could already hear some commentators saying, "Oh, yeah, that's this fellow who's just been nominated to run for the most powerful post in the free world. He can't even find his own daughter." [Laughter]

Then, sure enough, it hit me and everyone else in the room. And only a few seconds later, there was confirmation right there on the television set in front of us. Maureen wasn't there because she had duties to perform as an alternate delegate and leader in the California delegation—and one of which, come to think of it, was voting for me. [Laughter] Now, I hadn't been in politics as long as some people, but I did know that that was the wrong moment to start taking anything for granted. So, as I listened to Maureen on television, just this once—[laughter]—I was glad she was on the floor and not with us. [Laughter]

And there's a little sequel to this. Last year I kept seeing in the press all those reports about the U.N. conference wrapping up a decade of women. I think some of you remember that there was a good deal of speculation that the whole conference was going to become politicized, a propaganda exercise on extraneous matters rather than a serious exchange on the issues that uniquely affect women. And there was some talk, too, about how the American delegation, which Maureen was heading, was going to be outsmarted, outmaneuvered, and probably embarrassed by all of this. And, you know, every time I read one of these reports, I got this big Cheshire cat-like grin—[laughter]—because I was think-

ing to myself, somebody out there sure doesn't know my daughter. [Laughter]

Well, those of us here today do know Maureen. At State, you know her by the wonderful job she did do in Nairobi. You know how effectively she worked to get agreement on the consensus document that would make the conference the success that it was and bring the American delegation the credit it deserved. And you know, too, that she'll do a fine job as our Representative to the U.N. Commission on the Status of Women.

And, of course, for Nancy and me, Maureen is someone we love dearly and yet someone whom we also recognize as the extraordinary individual that she is. And that isn't all that easy. As I said, it's always a little bit of a surprise for a father, just as it was that night in Detroit, to realize that that's your daughter up there on the TV screen, not only a grown woman—and I'm not that old yet—[laughter]—but a leader, a mover, someone who is making the world a whole lot better place to live.

But all these things Maureen is, and that's why Nancy and I and all of you love her for it. So, I want to thank Maureen today as her father for making me so proud of her on this occasion and so many others. But also as her President, I want to thank her on behalf of the American people for distinguished service to her country and the cause of human freedom and dignity.

*Note: The President spoke at 6:46 p.m. in the Benjamin Franklin Room at the State Department. The reception, hosted by Secretary of State George P. Shultz and Assistant Secretary of State for International Affairs Alan L. Keyes, was in honor of Maureen Reagan's role as U.S. Representative to the United Nations Commission on the Status of Women.*



## Interview With Lou Cannon and David Hoffman of the Washington Post

February 10, 1986

### *Soviet-U.S. Relations*

*Q.* Mr. President, thank you for this interview. In view of what Mr. Gorbachev said to Senator Kennedy, as it's been reported, what do you think the prospects are this year for an agreement with the Soviets on an intermediate-range missile agreement?

*The President.* Well, I'm very hopeful that we can come to some agreement. This idea of separating out the intermediate-range weapons is, we think, a hopeful sign. And now he has not made the SDI any condition with regard to that. There are some other things in that that are, well, that are going to cause us to negotiate that we hope can be eliminated. One, he's kind of made the French and the English an element, and we don't think that we're in a position to negotiate for somebody else. And also, the problem of the same kind of intermediate-range weapons being stationed east of the Urals, targeted on Asian targets. And these are the points that have to be worked out, but I'm just optimistic that since we've opened that subject and have made some progress on it that we can achieve that.

*Q.* Is the United States going to submit a counterproposal that will deal with the British and French question and the Asian question?

*The President.* Well, as a matter of fact, we have already, I think, made some proposals to them and haven't had a response yet.

*Q.* The suggestion of that story was that Gorbachev seemed to be saying that he didn't want to have a summit this year unless there was a prospect for a tangible agreement. What's your assessment of that? Is he trying to get out of a summit some way?

*The President.* I can't believe that about him. He was so willing for it, and even then he made the proposal that we have one in '87 in his country, which we agreed to. So, no, I just—I have to believe that he's expressing the hope—and we are, too. I would hope that we could make some progress

without waiting for the next summit.

*Q.* Are you still holding firm to June and July—June or July date?

*The President.* Well, we hope that it can be one of those dates—the earlier date—because of our election. It's going to be, I think, not too easy for us if we get closer to and get into the campaigning season and so forth and are trying to have a summit. They made one suggestion of a later date, but they haven't pursued it at all. And we've told them why we didn't feel we could do that.

*Q.* Were you surprised that the Soviets—they've sort of been holding SDI ransom for this kind of agreement—that he seems to have dropped that idea on intermediate-range missiles?

*The President.* Well, whether he dropped it or whether he never intended it to be there—because you'll remember the language that they agreed to in the agreement was something about seeking an interim agreement while we go forward with the other interim agreement on the intermediate range. So, maybe he's just now confirming that he meant this all the time. But it is progress in our eyes.

### *Nicaragua*

*Q.* On the subject of Central America, can the democratic resistance in Nicaragua survive without military aid, in your view? From the government, I mean.

*The President.* I don't see how they could go on permanently without having some aid, particularly in the face of the extensive aid that they're getting from the Soviet Union and Cuba with regard to advanced weapons systems and so forth. They've got to be able to protect themselves.

*Q.* Some of your own allies in Congress say that it would be better to take the military aid question up or down rather than just let the freedom fighters wither on the vine with just nonlethal aid. Do you share that view, and are you going to go all out in this?

*The President.* I'm going to go all out to try and get them the kind of aid that they must have.

*Q.* Most of the stories that I have read and estimates I've seen would indicate that it's going to take a very long time for the democratic resistance there to have any impact. Is this something that you—we should be starting on now, which could be like a 20-years' fight down there, in view of Congress—

*The President.* No, I don't think it has to at all. I think—and this is what the Contadora process is aiming at—is what we suggested a year ago, just about a year ago now. And that is that the Sandinista government and their former allies, who are now the *contras*, who fought the revolution against Somoza, that they come together with the church acting as a mediator; they have an armistice and come together and negotiate out how they can arrive at a consensus government that will be what they actually fought the revolution for.

Remember that they appealed to the Organization of American States for help back when they were fighting against Somoza. And they got the help they asked for, which was a request for Somoza to step down so the killing could stop—and he did. But in return for that, they had given a program to the OAS of what their goals were, and it was democracy; it was a pluralistic government and human rights taken care of and freedom of the press and speech and labor unions and so forth. The Sandinistas then seized the revolution and took it away from the others. And they have turned it into the totalitarian state that it is. But I think that the Sandinistas also are being hard pressed because this thing that has been going on has given them great economic problems. And they are totally dependent on the Communist bloc for their survival.

*Q.* Well, do you think that it's possible within your term in the White House to get some kind of a negotiated settlement between the Sandinistas and the people fighting them?

*The President.* That's what we've always said we want.

#### Haiti

*Q.* Mr. President, on Haiti—your spokes-

man—there's been some talk about what's happened down there. Do you have any ideas about how to better bring across a democratic transformation, and do you plan to resume aid to Haiti that was withheld because of human rights violations?

*The President.* Well, this group that now—this council that has stepped in has made it plain that they—what they want to do is make it possible now to have a government. In other words, they don't view themselves as the government. They're an interim force, and they want to now establish democracy and a government that represents the will of the people. And we're perfectly willing and ready to help in any way we can to bring that about. And, as I say, we're ready to work with them and do what we can to be of help.

*Q.* Does that include resuming the aid?

*The President.* What?

*Q.* Resuming the aid to them that was withheld?

*The President.* I haven't had a chance to talk to anyone about that—

*Mr. Regan.* We're in the process of reviewing that now, and then we'll see what the new government does.

#### Philippine Presidential Election

*Q.* On the question of the Philippines, officials in your government have called for both sides in the Philippine Government to work together now after the election. And you just said a few minutes ago in your response to a question that this validates the two-party system there. How do you want them to work together? Do you want them to form a coalition government? And what do you have in mind?

*The President.* Oh, no, I would think we have the same thing in our own country. We have a strong two-party system here, and the people make their decision at the ballot box on which of the—which party or members of the party get elected or not. And I would foresee that, now that there really is a two-party system—obviously proven with millions of people going to the polls and voting on both sides, that this is the beginning of what could be the answer to their form of government.

*Q.* Doesn't that mean then that you

would accept Marcos winning this—or Aquino winning? You're not talking about them joining a coalition government?

*The President.* No, I'm talking about whoever wins and the other party doesn't go out of existence—it waits for future elections.

*Q.* You called for free and fair elections. How does the United States respond to these reports of fraud from our observers, and can Marcos ever again make a claim to legitimacy after this?

*The President.* Well, I'm going to wait until I have a chance to talk to our observers who are over there. I haven't as yet. Whether there is enough evidence that you can really keep on pointing the finger or not, I don't know. I'm sure, you know, even elections in our own country—there are some evidences of fraud in places and areas. And I don't know the extent of this over there—but also do we have any evidence that it's all been one-sided, or has this been sort of the election tactics that have been followed there? But what we want is—once the Filipino people have made their decision and a government has been chosen, then we would like to have the same relationship, the historic relationship we've had with the people of the Philippines and with their government.

#### *Federal Budget*

*Q.* If I could turn to domestic subjects—the budget. Your former Budget Director, David Stockman, said recently that the deficit wasn't only caused by big-spending liberal Democrats but by Republicans as well, including yourself. Now, you've been President for 5 years, and under you the deficit has doubled. What's your response to Stockman's comment?

*The President.* Well, my memory doesn't track with his; because every year that I've been here, we have tried to get the elimination of some programs, reduction of others, putting together of programs. If we had gotten what we asked for in 1981 with regard to the domestic budget, the deficit would be \$50 billion less than it is right now.

So, all this talk that we did this—and all those years back over the last half-century

when I was making speeches about deficit spending and all—the truth of the matter is, deficit spending was a deliberate practice of the party in power. And the party in power, which has been there for all of those years, was—only here and there, one and two terms out—was the Democratic Party. And beginning with the War on Poverty in the middle sixties and on, this was where the runaway that we'd always talked about—I've always said that it couldn't—that and inflation. You couldn't let them go on without having them break the bounds and start running away.

Now, if the escalation started in this 15 years between 1965 and 1980, and the escalation went to the budget going up to roughly 5 times what it was in 1965—but the deficit was 38 times what it was in 1965. And 1981, our first year here, we were on their budget, not ours—you come in several months into the fiscal year and you'll find there, again, the increase, and it's gone on that way. And the only answer is finally—what we're trying to do is to have a plan—and this one is a 5-year plan to eliminate once and for all the deficit.

*Q.* With all due respect, sir, every year you've been in office, you've proposed a plan—5-year plans. I recall the first one in your speech in Chicago in 1980, in September, saying we'd get to zero, and we haven't. Why should people be any more confident we're going to get there now after 5 years in office when the situation has gotten worse?

*The President.* I know you gentlemen have delighted in writing in that ever since, frequently. The truth of the matter is, long before the election, I had made public the fact that the plan would not work at the time that I said it would because of the rapid change here, in the economic situation, in Washington—the runaway inflation, the runaway interest rates, all of those things starting. And suddenly the economists, who had helped me and given me this plan, said, "No, it can't do it now, it's got to take longer than that." But we stuck to the same plan, and now for 38 months we have had the greatest recovery that we've ever had in the last 50 years. And so, I have to think that the plan wasn't at fault.

**Q.** But, Mr. President, during this period Congress has repeatedly not done what you've asked on domestic spending, and we—as a result, we have this very big deficit. Why is there any reason to think that Congress is going to do something differently this time when for 5 years, when you've been a popular President, they haven't?

**The President.** Because they realize now that the explosion has occurred, that the deficit has been institutionalized. It is a part of the whole system of the way the Government was set up, as is explained by those figures of a 5-times increase in the budget but 38-times increase in the deficit. Now I think they are aware. There isn't anyone up there that is advocating deficit spending. They are all talking that the deficit must be curbed.

The only argument now is, which way? And they would like to do it in two ways that I think are ducking their responsibility, and that is to eliminate our defense buildup—and the buildup wouldn't have been necessary if they had been doing what they should have been doing in the years before we got here—eliminating that, and increasing taxes—and they refuse to look at the fact that every time in modern history here that we have reduced the rates, government revenues and prosperity have increased. And every time you raise the taxes, you threaten another recession and the end of our recovery. And this is the only—main arguments they are giving us against our proposal for the budget.

#### *Defense Spending*

**Q.** If I can take up on that, your own polls show on defense that a majority of Americans think Pentagon spending is about where it should be. How do you plan to overcome public skepticism and some on Capitol Hill to win approval of this defense budget request at the same time you say that defense spending has brought the Soviets to the bargaining table?

**The President.** Because the people have been hearing a drumbeat, a constant drumbeat of propaganda about defense scandals and defense spending and that it is all wasted and so forth. And there's only one way left. We're going to go direct to the people and tell them the truth.

There wasn't any \$600 toilet seat. And all those cartoons that run every other week in the paper with [Secretary of Defense] Cap Weinberger and a toilet seat around his neck—that's the same price that TWA and Delta and United pay. It is a molded cover for the entire toilet system. And, yes, it does cost about that much.

Now, the same thing is true of the \$400 hammer. We bought 82,000 hammers, and they cost between \$6.50 and \$7.80 apiece. But one invoice came in with one hammer buried in the invoice with a \$435 price tag behind it. And it was found immediately by a man in the Navy, who brought it to the attention of his superiors. And that was changed, and we never paid \$435 for a hammer.

But there's the third one, the \$6,000 coffee-maker. Again, that's the same thing that is in all the great commercial transports. And we're having it made for our planes that would carry 365 servicemen. They might be up there for 10 hours in flight, and it's an entire hot-cooking system. And actually we're getting it for a little bit less than the commercial airlines are paying.

**Q.** Well, even if that's been—those have been exaggerated, do you think that Secretary Weinberger has done all that he could do to cut inefficiency at the Pentagon? You've got a commission that you appointed. Apparently, you must think there's something more to be done than what Cap's done.

**The President.** No, for one thing—one of the reasons that we appointed that commission was—yes, Cap has been busy and has known there are reorganizing things that have to be done. And he's been working at that and made great progress. You'd be amazed at ships that are coming in—and planes and so forth—ahead of schedule and under budget, rather than having an overlay. But we decided that in the face of this propaganda there was only one answer: Bring in an outside commission and let them look at the whole thing and then come back and tell us, and tell publicly, what they have found. Now, I'm quite sure that they will come in with some recommendations of changes that could be made, maybe organizationally. But I'm also confi-

dent that they will help us in trying to make the people understand. I'm sure that they will come in with an honest account of what has been accomplished.

Now, right now, the budget we're asking for in defense for '87, that budget is below the projection that President Carter had made as to what the military budget would require in 1987. And we're below that level. We have made—over a 5-year period, the savings that we are making will result in \$295 billion less than the bill would be if the things hadn't been done that Secretary Weinberger has done already.

*Vice President Bush*

*Q.* Can I ask one political question on another topic that you might—and that's—can we make this the last question?

*Mr. Speakes.* Yes.

*Q.* Is that—do we have—can we do that?

*Mr. Speakes.* Yes, sure.

*Q.* Recently, your Vice President's come under fire, even from some of your most ardent supporters, for attacking [New York] Governor Cuomo—the way he did it. Do you think that George Bush is pressing too hard, too early for the Presidential nomination?

*The President.* No, I don't. I think that whatever he does is being viewed by many as all a part of that. Many of the things that he's done, he's done every year for the last 5 years—like certain annual things where he has appeared. And then suddenly, for the first time he gets hailed and that this he's doing, and how come he is going to speak to this group and so forth. And as I say, he's been speaking to them every year.

*Q.* Do you agree with what he said about Governor Cuomo?

*The President.* Well, I'm not going to comment on that and reopen a feud or not, but I've been very satisfied with the conduct of the Vice President.

*Q.* Thank you.

*The President.* I think he's been doing a fine job.

*1988 Presidential Election*

*Q.* If I could just add one followup to that. Are you pleased with the way the competition is going in your own party to succeed you? Bush and Kemp going at it hammer and tong like that?

*The President.* You see, that's what's wrong with having a 22d amendment. Everybody automatically, the minute the '84 election is over, everybody starts saying what are we going to do in '88, and focusing a spotlight on them. No, I think that it's almost forced on anyone if they're interested in that direction, but I don't know what we can do to change it.

*Q.* We told Larry and your Chief of Staff we won't ask any more questions, but if you want to come out for repeal of the 22d amendment and say you'd run again right now, it would be one hell of a story. [Laughter]

*The President.* No. No President can ever come out for—with himself in mind. I think it's got to be held for whoever's going to be the next President. But I do think this: that we ought to take a serious look and see if we haven't interfered with the democratic rights of the people. They can elect a Senator for 40 years or a Congressman—something of this kind—for as long as they want to. Why don't they have the right to vote for whoever they want to vote for?

*Q.* Thank you, sir.

*Note: The interview began at 1:32 p.m. in the Oval Office at the White House. Donald T. Regan was Assistant to the President and Chief of Staff. Larry M. Speakes was Principal Deputy Press Secretary to the President. The transcript of the interview was released by the Office of the Press Secretary on February 11.*

## **White House Statement on the Release of Anatoly Shcharanskiy From the Soviet Union**

*February 11, 1986*

The President today spoke by telephone with Prime Minister Shimon Peres [of Israel], Anatoly Shcharanskiy, and Mrs. Shcharanskiy, who had just arrived at the airport in Tel Aviv. The call lasted 8 minutes, 1:08 p.m. to 1:16 p.m. The President told Prime Minister Peres he was very pleased over the releases, noting that Chancellor Kohl [of the Federal Republic of Germany] played a key role in putting together this exchange. He added that we will not stop pressing for improvements in the situation of Soviet Jews, including emigration rights.

On behalf of the American people, the President expressed to Dr. Shcharanskiy delight over the release and that he had joined his wife in Israel. The President commended his courage and fortitude as symbols of the human will for freedom, adding that his many long years of imprisonment and suffering had been painful for all who care about human rights. The President concluded by saying he would continue his own efforts and those of the Government to support human rights in the Soviet Union and elsewhere.

## **Nomination of Don M. Newman To Be Under Secretary of Health and Human Services**

*February 11, 1986*

The President today announced his intention to nominate Don M. Newman to be Under Secretary of Health and Human Services. He would succeed Charles D. Baker.

Mr. Newman is presently serving as Principal Deputy Assistant to the Secretary of the Department of Health and Human Services. Previously he was director of the Indiana office in Washington, DC, in 1973–1985. He was owner and operator of Newman's Pharmacy in Mishawaka, IN, and Jef-

erson Medical Arts Pharmacy, in South Bend, IN, in 1955–1973. Mr. Newman also served as chair to the National Governors' Association Staff Advisory Council of the Transportation, Commerce, and Communications Committee.

He graduated from Purdue University (B.S., 1947), Indiana University (M.A., 1972), and Georgetown University (J.D., 1979). He is married, has two children, and resides in Washington, DC. He was born July 31, 1923, in Chicago, IL.

## **Statement on the Presidential Election in the Philippines**

*February 11, 1986*

The Philippine elections have captured the attention of the American public. At times we need to remind ourselves that this is a Philippine election, not an American election. Yet our interests are deeply affected by these elections—by the results, by the

deficiencies of the process, and by what all this means for the future.

President Marcos invited American observers to witness the election; Senator Lugar and Representative Murtha co-chaired an observer delegation at my re-

quest. They returned last night. I have heard their preliminary report this morning. Since no definite judgment on the result has yet been rendered by either the official or the unofficial Filipino electoral bodies, it is not appropriate for the United States to make such a judgment at this time. Nonetheless, two points need to be made:

—First, it is a disturbing fact that the election has been flawed by reports of fraud, which we take seriously, and by violence. This concerns us because we cherish commitment to free and fair elections and because we believe the Government of the Philippines needs an authentic popular mandate in order effectively to counter a growing Communist insurgency and restore health to its troubled economy.

—And second, the election itself—the obvious enthusiasm of Filipinos for the democratic process and the extraordinary vigor of the campaign also tell us something. They tell us of the profound yearning of the Filipino people for democracy and, indeed, of the vigor of the underlying forces of plu-

ralism and democracy. Only the Communists boycotted the election.

The political process in the Philippines continues; further, it does not end with this election. Our task for the future is to help nurture the hopes and possibilities of democracy, to help the people of the Philippines overcome the grave problems their country faces, and to continue to work for essential reforms. To help advise me on how the United States can best pursue that task and to assess the desires and needs of the Filipino people, I am asking Ambassador Philip Habib to travel to the Philippines to meet with the leaders of both political parties, with church and government officials, and with representatives of private sector groups.

Americans can never be indifferent to events in the Philippines. Our two countries have too much at stake for that. Our national interests converge. Our peoples bear genuine affection toward each other. Most important, our peoples share democratic aspirations. Those ties between our peoples will endure.

## **Proclamation 5440—National Burn Awareness Week, 1986** *February 11, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Burn injuries are one of the leading causes of accidental death in the United States. Every year, approximately two million people in this country are victims of burn injury and about twelve thousand of these victims die.

The rehabilitative and psychological impact of burns is devastating. Children, the elderly, and the disabled are most likely to suffer serious burns.

It is estimated that approximately 75 percent of all burns could be prevented by proper education of children and adults. Therefore, it is appropriate that all Americans have called to their attention the risks from burn accidents and the importance of

burn prevention programs.

The Congress, by Senate Joint Resolution 234, has designated the week beginning February 9, 1986, as "National Burn Awareness Week" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim the week of February 9, 1986, through February 15, 1986, as National Burn Awareness Week, and I call upon the people of the United States and all Federal, State, and local government officials to observe this week with appropriate programs and activities.

*In Witness Whereof*, I have hereunto set my hand this eleventh day of February, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the

United States of America the two hundred and tenth.

[Filed with the Office of the Federal Register, 10:32 a.m., February 12, 1986]

RONALD REAGAN

## Proclamation 5441—National Humanities Week, 1986 February 11, 1986

*By the President of the United States  
of America*

### *A Proclamation*

In 1986, the United States celebrates the twentieth anniversary of the establishment of the National Endowment for the Humanities. The overriding goal of this small but important Federal agency is the promotion of humanities scholarship and programming.

The study of the humanities increases our understanding of the great traditions of civilization and of the intellectual heritage of mankind. In partnerships with State and local governments, private foundations, and corporations, the National Endowment for the Humanities, over the past two decades, has provided critical leadership and direction for both individuals and institutions seeking to improve our understanding of the humanities.

As a Nation, we have benefitted from the fruits of this humanities programming in a variety of ways: through improvements in humanities education at all levels; through scholarly research at the cutting edge of contemporary issues in the humanities; and through programs and projects in museums, libraries, and the media that foster a heightened understanding of the humanities

across America.

The Congress, by Senate Joint Resolution 219, has designated the week beginning February 9, 1986, as "National Humanities Week, 1986" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning February 9, 1986, as National Humanities Week, 1986. I call upon the people of the United States to observe the week with appropriate conferences, programs, ceremonies, and activities recognizing the importance of the humanities in the lives of all Americans and acknowledging the significant role the National Endowment for the Humanities has played in sustaining and enriching our cultural heritage.

In Witness Whereof, I have hereunto set my hand this eleventh day of February, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:33 a.m., February 12, 1986]

## The President's News Conference February 11, 1986

### *Fiscal Year 1987 Budget*

*The President.* I have a brief statement here. We have, as you know, sent our budget to the Congress, and it's a fair and responsible budget and clearly does the job

of putting America on course to a balanced budget through steadily declining deficits as mandated by the new Gramm-Rudman-Hollings law. Now, last Friday a three-judge panel of the Federal District Court issued a



ruling against a portion of Gramm-Rudman-Hollings. We await a final Supreme Court decision, but nothing the Court says should or will remove our obligation to bring over-spending under control. Congress shares that obligation. It must meet its responsibility to reduce deficit spending and pass a budget resolution by April 15th.

For our part, we have met the targets for lower deficits, but not by cutting Social Security or essential support for low-income persons and not by gutting defense or raising taxes on the American people. We mean to cut unessential spending out of the Federal budget, and we mean to leave family budgets alone. All told, our budget meets the deficit targets in part by cutting about 5 percent from domestic programs. That's 5 cents on the dollar, and that's what we're asking Congress to cut. If Congress can't do that much, well, then they should at least give me a line-item veto, because I'll make the cuts and get the job done. Let's be frank: Those who say that our budget is DOA, dead on arrival, are really saying, "Brace yourself for a tax increase." I think taxpayers want Congress to get its own house in order. I do, too. So, rest assured that any tax increase sent to me will be VOA, veto on arrival.

And now—

#### *Philippine Presidential Election*

*Q.* Mr. President, the observers you sent to the Philippines have just returned with reports that they witnessed fraud and violence. Doesn't this undermine the credibility of the election and strengthen the hand of Communist insurgency on the island?

*The President.* Well, Mike [Mike Putzel, Associated Press], I am not going to comment on this process, just as they are not going to render an official report, until the counting has finally been finished. I don't think it would be proper to do so. Yes, they told me in just an interim few remarks and made it plain that they're not going to issue the official report yet. But they told me that there was the appearance of fraud and yet, at the same time, said that they didn't have any hard evidence beyond that general appearance. So, we're going to wait. We're neutral. And we then hope to have the same relationship with the people of

the Philippines that we've had for all these historic years.

*Q.* If I may follow up, sir, did what they tell you give you concern about the credibility there and what the impact will be for U.S. interests in the Philippines?

*The President.* Well, I think that we're concerned about the violence that was evident there and the possibility of fraud, although it could have been that all of that was occurring on both sides. But at the same time, we're encouraged by the fact that it is evident that there is a two-party system in the Philippines and a pluralism that I think would benefit their people. And we're glad to see that particular thing happen, and we'll wait until we hear the outcome.

Helen [Helen Thomas, United Press International?]

#### *Affirmative Action*

*Q.* Mr. President, in the sixties you opposed all civil rights legislation, but more recently you said that you were a part of the Martin Luther King revolution. If that is the case, why is your administration so bent on wiping out the flexible hiring goals for blacks, minorities, and women? And I'd like to follow up.

*The President.* Helen, we're not wanting to do that. But we have seen in administering these programs, we've seen that the affirmative action program was becoming a quota system. Now, I've lived long enough to have seen quotas when they were employed long before there was a civil rights movement, when they were employed in my youth to definitely discriminate and use the quota as a means of discrimination. And, therefore, we feel that, yes, we want affirmative action to continue. We want what I think Martin Luther King asked for: We want a colorblind society. The ideal will be when we have achieved the moment when no one—or when nothing is done to or for anyone because of race, differences, or religion, or ethnic origin; and it's done not because of those things but in spite of them.

*Q.* Mr. President, the affirmative action order specifically forbids quotas. And I'd really like to say to you, do you think if you

had been born a black or a woman that you would be President today?

*The President.* I didn't think I'd be President today when I was born or for a great many years afterward. But, Helen, no, whatever the law may say—and I know what Hubert Humphrey said about it, and this is what we're talking about—we were talking about the practice.

*Q.* Well, you're the enforcer.

*The President.* Not individually and personally, no. But we find down there at the bureaucracy level and out there actually in personnel offices and so forth, they choose the easy course—set down a system of numbers and say, "Well, we'll go by that." And this is what we're trying to correct.

So, now wait a minute. If you'll let me, please, do something I haven't done before. But just recently a group of newcomers to your ranks came into the Oval Office, and I met them. And I thought that since they are newcomers, at least just as a representative here to start with, let me call on a couple of those. I don't even know where you're sitting. Maybe you didn't have your hands up or not. But just two of them, and then we'll go on with the regular hands up.

Dave Beckwith of Time.

### *Monetary Supply Policy*

*Q.* Thank you, Mr. President. Recently two of your top economic officials, OMB Director Miller and CEA Director Beryl Sprinkel, have suggested that the Federal Reserve should be tightening a little more—worrying about inflation in conducting the Nation's monetary supply. Do you agree with them—that the Fed has been too loose lately?

*The President.* Well, I have to admit that—and, you know, it isn't an easy—the tools aren't that sharp that you can maintain the money supply exactly where you want it all the time. And it is true that recently it got above their own bracket, their own line of where they wanted to keep the increase. And, sure enough, you saw a couple of percentage points on the low side of the period added to what has been well under 4 percent inflation rate. So, I think this is what they were referring to; we've got to keep our eye on that and keep it there as much as we can.

Now, the other one was Walter Robinson, Boston Globe.

### *Welfare Reform*

*Q.* Mr. President, in your State of the Union Message last week, you said that we need welfare reform and that the true test of a welfare system is one in which people get off of welfare. And the day after you said that, the Governor of Massachusetts was in town to talk about a program in his State which has taken 23,000 people, trained them in jobs, and taken them off welfare. That program and others like it in other States have been made possible by a Federal program: Work Incentive. Now, the next day, on Wednesday, your budget recommended abolishing this program. And I'd like to ask you why that is.

*The President.* Well, I don't think that that program was really the manner—or the way by which the States were doing that. You see, what those States are doing, and what [Massachusetts] Governor Dukakis is doing in his State, is what we did in California as part of our welfare reforms way back when I was Governor there. And when I got here, I had our people start informing the States of this.

We were allowed an experiment at that time. We could only do it in 35 counties. And the Department, then, in Washington refused to allow us to do it in San Francisco and Los Angeles Counties. But what we did was submit a questionnaire to these 35 counties, to the communities in the counties; and we said, would they send us a list of the things that they would be doing if they had the manpower and the money—useful things? And we got quite a list and few, if any, boondoggles. We crossed them out when there were some. And then we said okay, you've got the manpower and the money. We are going to order able-bodied welfare recipients to report for these useful jobs. No more money to be spent; it was the same money. They're doing it in return for their welfare grants. And then at the same time, well, we only had them work 20 hours a week so we wouldn't be violating any minimum wage requirements. We said the other 20 must be spent either in job training or job hunting. And we assigned job

agents to these people. Each one of them had a list of names to watch these people, and they were doing these community chores.

And we funneled through that program and into private enterprise jobs, not 23,000—76,000 people. And this was during the recession of '73 and '74. And when we got here to Washington, we said it worked so well there, and let's see if there aren't going to be other States that would be interested in it. But it's just the plain welfare grant that makes this possible for others to do.

*Q.* Mr. President, if I could follow up. This program, which is administered by the Labor Department, provides job training funds. And the Massachusetts program has found that for every dollar that's spent, the Government gets \$2 back in welfare savings. And it seems to have been a success. The Labor Department says it has been, and yet you've recommended it be canceled. And it seems to fly in the face of your stated purpose in your State of the Union Message.

*The President.* But we are keeping the program, the partnership program in partnership with local governments and the private sector train for jobs that are going begging in that particular area. There's not much point in going into an area and training people for jobs that aren't available. But you only have to look at the Sunday papers—and I've mentioned it before—the help wanted ads to find out that there are employers that are having trouble finding employees. And so we're training for that specific thing. And it has the highest job placement record of any of the employment programs the Government has ever tried.

Lesley [Lesley Stahl, CBS News]?

#### *Deficit Reduction and Taxation*

*Q.* I have so many questions to ask you, sir, I can't decide which one—

*The President.* Do you want to talk to each other—

*Q.* —but I will ask you, if I can, about your statement on taxes. Your budget calls for cuts in domestic programs. You call them nonessential, but, well, a lot of people don't agree with you. You're calling for cuts

in education, in school lunches, other nutrition programs. You're calling for cuts in student aid. The question is: Why won't you accept something like an oil import tax—or an oil import fee, that would not disturb your basic tax cut for the individual, in order to save some of these programs that so many Americans do consider essential?

*The President.* Well, I don't think that we're cutting the essential parts. No one looks far enough to see that the small amount of the cuts is in what could be called the area of fat that's in administration. No level of government has the highest-cost administration than the Federal Government. At every echelon of government, where they perform a program for the people, the percentage of the dollar that goes to administer that program is less at the community level, a little higher at the county level, a little higher at the State level, and tremendously higher at the Federal level. Now, if we can eliminate some fat; we can handle this. But, also, you don't bat a thousand percent in making sure that everyone is deserving. For example, in programs such as the aid to college students, we find students that are getting this aid and their families are in an income tax bracket that—or a tax bracket—income bracket that, really, there's no reason or excuse for them to be getting Federal help.

*Q.* But, sir, you know that many people refute you. Black college enrollment is way down. A lot of middle-class families with many children find it much harder to send their children to college. And why won't you accept that oil import fee to offset that?

*The President.* Because it's historic that when you go above a certain percentage in taking revenue from the private sector—government taking revenue from the private sector—you find that you slow the economy. And this is why the latest evidence of this is that our tax program, once instituted, I think is the principal reason for the 38 straight months of economic recovery that we have had.

Sam [Sam Donaldson, ABC News]?

#### *Philippine Presidential Election*

*Q.* Mr. President, 2 weeks ago your Chief of Staff, Donald Regan, said that if Ferdi-

nand Marcos was reelected and certified as such, we would have to do business with him even if he were reelected through fraud. Is that your policy?

*The President.* What we have to say is that the determination of the government in the Philippines is going to be the business of the Philippine people, not the United States. And we are going to try and continue, as I said before, the relationship regardless of what government is instituted there by the choice of the people. And that is all I can answer.

*Q.* If I may, sir, it is argued that there is a Communist insurgency there; that the best way to play into the hands of the Communists is to back someone, a dictator, who has been reelected by fraud; that the best way, it is argued, to oppose the Communist insurgency is to back the forces of democracy. What about that?

*The President.* Well, we're backing the forces of democracy, and the people there are voting, and they're holding their own election, and the only party in the Philippines that boycotted the election was the Communist Party. So, there's very great evidence that whatever takes place—you've got two parties and the evidence that a sizable percentage of each party has voted for a different candidate for the—of the two candidates. So, there is a solid support for both candidates there. Now, as I said before, I'm not going to comment on any of these other things while this vote count is still going forward.

*Q.* Could I ask you—

*The President.* No. Chris [Chris Wallace, NBC News]?

#### *Soviet Release of Dissidents*

*Q.* Mr. President, the Soviets today released dissident Anatoly Shcharanskiy, but of course there are thousands of other Soviets who would like to leave that country that the Soviets won't let leave. Do you regard today's release as a propaganda move, or do you see any real change in the human rights situation in the Soviet Union?

*The President.* Chris, I don't have any way to determine what their motives are in doing this. I only know that since the Geneva meeting there have been not only this but others released, more so than in a

great many years. I am encouraged by this because I did talk at great length about the matter of human rights with the General Secretary. And all we can do is hope that this is a beginning, a sign for what is going to continue to take place.

*Q.* If I may follow up, sir, Mr. Gorbachev says that he cannot release another leading dissident, Andrei Sakharov, because of his knowledge of Soviet nuclear secrets. Do you see any legitimacy to that argument?

*The President.* Well, it's an argument they've used for a number of people—people who have, in their estimation, been close to some things that they feel are secrets for their own security and that they have said that they cannot let people go that have access to those secrets. Now, I have no way of judging how valid that is. But as I say, they've made a start, and I hope it is just a start and that they'll continue.

Ralph [Ralph Harris, Reuters]?

#### *Haiti*

*Q.* Mr. President, did the United States play any role in President Duvalier's decision to leave Haiti? And a second question, if I may, Mr. President, do you intend to increase economic aid to the new government there?

*The President.* Ralph, we are just faced now with what we can do. I can only tell you we hope we can be of help as this interim government goes forward to try to institute democracy there in Haiti. Our participation in Duvalier's leaving was that of providing an airplane to fly him to France.

*Q.* You didn't, sir, give him any strong advice to leave, did you?

*The President.* No. And he never asked us for any. [Laughter]

#### *Catastrophic Illness Protection*

*Q.* Mr. President, you spoke last week about one of the great fears of the American people: as they grow older that their lifetime of savings will be wiped out by catastrophic illness. And government, in private studies, suggests that the real risk of being wiped out by catastrophic illness lies not in the hospital and the doctors' bills, but in long-term chronic care like nursing

homes. Are you willing to open the Social Security system, the Medicare system, to pay for nursing home care for the chronically ill elderly?

*The President.* I can't answer your question yet because I've asked simply for a study as to how we can meet the total catastrophic thing for people who have need. And as I say, we had a program that we thought would have worked successfully in California. And we couldn't get any public interest in it, and it would have provided unlimited care and through a private insurance coverage so that there wouldn't have been any governmental, administrative overhead in the program.

*Q.* Well, sir, do you rule out the use of general tax revenue to support premiums to a plan to support nursing home care?

*The President.* Well, the plan that we had in California, the cost was low that the individuals could meet the premium costs of that. Now, if there was some people that couldn't, why, I'm quite sure, as we help in anything else, we would help in that, too.

#### *Fleet Operations in the Mediterranean*

*Q.* Mr. President, the United States, as you know, is beginning to resume the flight operations in the Mediterranean near Libya. And it's also designed to reassert our rights to patrol international waters. Why then haven't we crossed that line that Qadhafi calls the death line?

*The President.* Well, I don't know the nature of the operations that have been conducted. They conduct them in various parts of the Mediterranean. I don't know that they're all through yet. We have conducted operations there very early on in my administration in which I was informed, because they thought I should be, that he had ordered that that was their waters—which was akin to us claiming all of the waters from the tip of Florida over to the border of Mexico and Texas—and that some of the maneuvers would entail some planes and some ships in crossing that line but not getting into what are actually their waters. And I gave the go-ahead on that. And I would again. If they didn't cross it in any way this time, it must have been because the maneuvers did not call for it.

*Q.* Do you think, though, that resuming

the operations at this time might be playing into Qadhafi's hand, that by helping him project the image that he wants to, that he's being picked on by the U.S.?

*The President.* Well, it didn't add to his image the first time we did it. And as I say, it would be done not for any impression on him, it would be done because, simply, we believe that our squadrons who are there, the Navy, is going to have to conduct exercises and keep itself in fighting shape.

And I'm going to call on you not because you've got a red dress on but just because you caught my eye. [*Laughter*]

#### *Corporate Mergers*

*Q.* And because it's Nancy's favorite designer. Mr. President, in view of the many corporate mergers going on, both friendly and unfriendly, and in view of the fact that in a few years we perhaps could wind up with only a handful of billion-dollar conglomerates, would the administration plan to propose or support any legislation to limit some of these mergers, which are getting a little bit out of hand?

*The President.* Well, I can't comment on whether they're getting out of hand or not, but I do know that we have a body of law that offers us all the protection we need. In fact, I think as we've expanded into a world competition, some of that law has been overprotective. We have to recognize now that we're not just dealing with competition within our own borders but competition with firms from outside the borders. And, no, I don't believe that there's any threat or danger of monopoly control here in our land at all, and I don't think there will be.

No, right behind you.

#### *Defense Spending*

*Q.* Mr. President, why did you so strongly denounce the misrepresentation of Secretary [of Defense] Weinberger as being wasteful and the cartooning of him with a toilet seat around his neck while, at the same time, you were rewarding the very newspaper that did this by giving them an exclusive interview yesterday?

*The President.* Well, I've given others exclusive interviews. I try to do that when it's possible in our timing to do that, and it was

an opportunity, due to the question that was asked, that I could point out the injustice of this, because we didn't buy any \$600 toilet seats. We bought a \$600 molded plastic cover for the entire toilet system, and it is the same thing—[laughter]—it is the same thing that is used in the commercial airliners, and they pay the same kind of money that we have to pay for it. So—

Q. Mr. President?

*The President.* —I thought it was a pretty good—

#### *Public Broadcasting*

Q. On the same subject of your media awardings, why is it that when there is such a need to save money, is public broadcasting being rewarded with \$3 million a week in taxpayers' money when they are known widely in many quarters as "The Voice of Managua" and when they refuse to air the Charlton Heston-narrated exposé of "Much the—[inaudible]—in Vietnam," which was shown last week right here at the White House?

*The President.* Well, I can't answer for that as to why they make their decision on their programming or not. I would've settled for Charlton Heston making the speech that he made about me in Los Angeles a few weeks ago.

But let me get back over here. Yes?

#### *Philippine Presidential Election*

Q. Mr. President, your previous answer to the Philippines election left the impression that no matter what goes on in the election, the United States will accept the outcome. You didn't mean to say that an unprecedented fraud is going to be accepted by the United States, did you, sir? Is there some limit where we stop?

*The President.* No, I said that we're depending on the Filipino people to make this decision. This is their election, and we'll wait and see what the final count determines.

Q. But once they do make the decision, if it's quite obvious—and even some of the observers from your own commission are indicating that—if it's quite obvious that it's been a total steal, the United States isn't going to accept the outcome just as it is, are they?

*The President.* You're asking me one of those "if" questions, and I'm not going to answer "if" questions. I took my pattern from Franklin Delano Roosevelt when he was President and he held his first press conference, and he said, "I will set down one ground rule . . .," which he never violated. He says, "I will not answer any 'if' questions."

#### *Soviet-U.S. Summit Meeting*

Q. Mr. President, some within your administration are reported to be growing impatient with what they see as Soviet foot-dragging over setting a date for this year's summit. Do you share in that impatience?

*The President.* Well, I'd like to have it pinned down. They haven't come up with any other date. They mentioned another period, and we informed them that that was going to be running into our coming election, and we would prefer the earlier date. But, no, we haven't seen any evidence that they're trying to get out of this or anything of the kind, because they've already invited me there for one in 1987. So—

Q. So, in your view, there's no thought that possibly Mr. Gorbachev may be trying to win some concessions on arms control in exchange for an agreement on dates?

*The President.* I don't think so. That kind of linkage wouldn't work.

Yes, you.

Q. Mr. President—

*The President.* No, this lady. I'm sorry.

Q. Go on.

#### *Vice President Bush*

Q. Mr. President, various Republicans who would like to succeed you, including the Vice President, have been spending a lot of time lately going to various conservative groups trying to get their seal of approval. In your view, has George Bush been politically and philosophically consistent over the years?

*The President.* Well, you're asking a fellow who was once a liberal New Deal Democrat before he became a Republican. [Laughter] So, sometimes we do change our minds with things that have gone on. But I just have to tell you that he has been heart and soul in support of everything that we're

trying to do, and I am convinced of his sincerity in supporting all of those measures.

*Q.* If I can follow up, Mr. Bush is reluctant to discuss any issues on which the two of you may have differed privately since you have been President. Could you tell us an issue or two in which he's had a significant impact on your thinking or your decisions?

*The President.* One of the reasons I couldn't answer specifically on that, I have to tell you that he is a part of every decision, a part of the policymaking here, just as are the other members of the Cabinet. He and I both sit in with the Cabinet, and he is part and parcel of all of the policy here in the administration.

Now you, but no, because I—

#### *Home Loans for Veterans*

*Q.* Thank you, Mr. President. You mentioned in your Saturday radio broadcast that we were going to reach the Gramm-Rudman cuts by a few little garage sales. Is it your desire to see that 250,000 veterans who have certificates of eligibility to buy VA homes are going to be excluded from having this opportunity because the Veterans Administration says they're out of money and must meet the Gramm-Rudman-Hollings quota?

*The President.* I can't answer that question specifically, either, here as to what we're going to do. I know that we don't want to penalize our veterans, take away any of the benefits and so forth that they have. And I'd just have to tell you that with everything that's going on, right now I couldn't answer you about the situation of the housing loans for veterans.

#### *Affirmative Action*

*Q.* Mr. President, back to affirmative action, do you plan to change the Executive order so that goals and timetables will no longer be required?

*The President.* I am waiting to see what the recommendation is. This is still being studied, and they haven't presented an actual recommendation to me. All I know at the moment is that what they're studying is how can we eliminate this possibility of a quota system. So, I want to tell you that I

don't want to do anything that is going to restore discrimination of any kind. In fact, I'm trying to prevent discrimination with this idea, as I say, of eliminating quotas. So, I know it was mentioned here before that supposedly I'm opposed to human—or to civil rights. No, I was opposed to certain features of programs that were being advocated. But there were other programs that I did support. And frankly, I was doing things about civil rights before there was such a program.

*Q.* You have strong views about civil rights. What are your views on goals and timetables?

*The President.* Well, as I said before, I think that we must have a colorblind society. Things must be done for people neither because of nor in spite of any differences between us in race, ethnic origin, or religion. And it's so easy to fall into a bureaucratic practice of saying, "Well, isn't this the easiest thing? Let's just tell them they have to have  $x$  number and that'll settle it." Well, let me give you an example. Recently here in the East—and I won't name the locale—we had a public housing apartment, and they had on their own set a quota. And the quota was for 30 percent black. Now, they didn't get 70 percent white; they had empty units. And yet because their quota was full, they were turning away every black applicant that came to the public housing because of their quota. This is the type of thing that we want to stop. And it isn't government policy. Again, as I say, you have to recognize that when you go down far enough in the echelons of bureaucracy, things can take place that you find you are almost helpless to stop.

I had such an experience in a whole different field, that had to do with health, when I was a Governor and found out that the bureaucracy evidently opposed the change we wanted to make so they deliberately distorted the order and picked on the most helpless people, those that were the most invalid. And I found out there wasn't really any way that I could police that throughout the entire State. And I called a press conference of your colleagues there and told them that I had to rescind the program we'd tried to put into effect be-

cause I could not control those people at that level.

Don't get me wrong—I think that the bulk of our employees are fine and patriotic and sincere in all of their work, but I also know that there are others that are just going to, as we all sometimes do in private jobs—they are going to do it the easy way. And I want to fix it so they can't do this the easy way.

*U.S. Military Bases in the Philippines*

*Q.* Mr. President, are the two U.S. bases in the Philippines of paramount importance when you consider U.S. policy for the Philippines? Or would you put the future of those bases at some risk if it meant standing up for democracy?

*The President.* One cannot minimize the importance of those bases, not only to us but to the Western World and certainly to the Philippines themselves. If you look at the basing now of the blue-ocean navy that the Soviet has built, which is bigger than ours, and how they have placed themselves to be able to intercept the 16 chokepoints in the world. There are 16 passages in the world, sea passages, through which most of the supplies and the raw material and so forth reaches not only ourselves but our allies in the Western World. And obviously, the plan in case of any kind of hostilities calls for intercepting and closing those 16 chokepoints. And we have to have bases that we can send forces to reopen those

channels. And I don't know of any that's more important than the bases on the Philippines.

*Q.* Mr. President, if I could follow up, has the U.S. given any consideration to other places in the region we might have bases, if the situation in the Philippines seemed to become untenable?

*The President.* I have to tell you that, as good military will always do, and not just here, but in anything else—I am confident that our Navy has sought for and is looking for contingency plans for anything that might happen anyplace to us.

*Q.* Thank you, Mr. President.

*The President.* Thank you, Helen. I'm—

*Ronald P. Reagan*

*Q.* What about young Ron? [Laughter]

*The President.* Well, you know, like father like son.

*Q.* Have you been on television in your shorts?

*Q.* How did you like his performance? How did you like your son's performance?

*The President.* I was very surprised.

*Q.* Thank you.

*Note: The President's 34th news conference began at 8:01 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television. The final exchange referred to Ronald P. Reagan's recent performance on the NBC comedy show "Saturday Night Live."*

Remarks at a Senate Campaign Fundraiser for Former Governor Christopher S. (Kit) Bond in St. Louis, Missouri

*February 12, 1986*

*The President.* Governor Ashcroft, Representative Bill Emerson, Carolyn and Kit Bond, and ladies and gentlemen, it's great to be back in Missouri, and it's great to be in America's heartland. I've come here to ask Missouri for a favor: We need to borrow one of your best and brightest. We need you to send an individual to the United States Senate who will be a strong voice for a prosperous, free, and secure America. Can

I count on you to send Kit Bond to Washington? [Applause] Thank you. You just made my day. [Laughter] Some of you may be aware that I met Kit when he was just a youngster, and of course it was during his first term as Governor. [Laughter] Seriously, though, Kit is still a young man, but he's also a man with a proven track record of leadership and responsibility—a Missourian of whom you are rightly proud.



And in 1986, as never before, we Republicans need to put forth our top-of-the-line candidates like Kit Bond. This election will determine whether or not our country keeps moving forward with economic growth, expanding opportunity, and freedom for all our citizens or slips back into the morass of tax and tax and spend and spend. The bad old days of runaway inflation, economic decline, and national despair are long gone, but the crowd of big spenders and big taxers who created that mess are still lurking in the wings. They held out the dream that big government could solve every problem, that Federal money was somehow free money, that the American economy was a horn of plenty which could be taken for granted. Usually when people grow up, they quit believing in the tooth fairy. *[Laughter]*

Predictably, the liberal dream turned into our country's economic nightmare. Putting America back on the right track has been a team effort, and I want to point out that your Senator, Jack Danforth, has been an indispensable member of the team. Missouri, you've got a great Senator. In 1986 let's make it two for two. Speaking of two for two, it's great to hear the Globe-Democrat will be keeping St. Louis a two-newspaper town. And two fine newspapers they are.

Together, with outstanding individuals like Kit Bond at the State and local level and with active support of the American people, much has been accomplished. America has enjoyed 38 months of growth and confidence. Almost 10 million new jobs have been created—9,800,000 of them in just over 3 years. We've got a higher percentage of the total potential work pool working today than has ever been true in our history. Our formula for success has been trust in the people, and we have an entirely different set of goals than our liberal friends in the Democratic Party. Instead of bigger government and higher taxes, we're looking for higher growth and more take-home pay. Instead of welfare and handouts, we'd rather people have jobs and opportunity.

I think Kit Bond said it well in his second inaugural address: "We have learned in the last two decades that greater government encroachment in our lives has not provided

the answers we expected. The people have sensed this failure. Across this nation and in Missouri, they have presented a mandate for better government, not bigger government." So said Kit Bond. Missouri is the "Show Me" State. So, after making that speech, Kit went out and proved to you that he meant what he said. Under his leadership, Missouri was one of the first States to establish enterprise zones. He fostered a progrowth environment, and by the time he was done, well over 100,000 more Missourians had jobs than when he started. He broke out of old molds and established patterns to find new ways of making State government leaner and more efficient. He had the courage to say no to the multitude of special interests that pound on every elected official's door. And in the process, as Governor Ashcroft just told us, he did take a \$270 million budget deficit that he'd inherited and turned it into an almost \$300 million surplus.

I don't know whether you had the same reaction, Kit, that I had once in California. We had had to raise taxes because we had inherited a massive deficit, and our constitution said we couldn't have a deficit. But I promised that as soon as we could, we'd give that money back, and we did. And the first time we were out of the deficit and showed a surplus and somebody said to me, "Well, now what are we going to do with it?" I said, "Let's give it back." And we did. We told them when they figured out their State income tax to just deduct 10 percent and keep that and send us the 90 percent, and the surplus would take care of the rest. Well, that went on until we got up to an \$850 million surplus, and we gave that back. But before we did, to show you what the difference is between the two parties, a leading Democratic Senator stomped into my office and he said, "Giving that money back to the people was an unnecessary expenditure of public funds." *[Laughter]* But Kit did it without raising taxes. Kit, we really need you in Washington.

The issues we face in the Nation's Capital and the answers we come up with will determine our country's future for decades to come. We're literally charting America's course into the 21st century. Now, I know

that even as far away as Missouri you've been hearing the howls coming from Washington about Gramm-Rudman-Hollings. The gloom and doomers are talking as though it'll close down the entire Federal Government. Hmmm. [Laughter] You know, at times that doesn't seem like a bad idea. [Laughter]

Seriously, though, Gramm-Rudman-Hollings is not a threat. It's a tremendous opportunity for all of us to finally get rid of unnecessary Federal programs and dramatically reduce the level of deficit spending. And don't let anyone tell you it can't be done. It already has been done. We've submitted to the Congress a budget that meets the Gramm-Rudman-Hollings targets without touching Social Security, damaging essential programs for the less fortunate, or gutting defense. It is a fair and reasonable alternative. Whatever happens in the courts, Congress has made a commitment to reduce the deficit. And the Congress should adopt our budget and meet the Gramm-Rudman-Hollings targets.

Our criteria should be the same as that expressed by Abe Lincoln, whose birthday we celebrate today. He said that "in all that the people can individually do as well for themselves, government ought not to interfere." The Great Emancipator also said, "To each laborer the whole product of his labor, or as nearly as possible, is a most worthy object of any good government." Working people keeping the product of their labor is not what some politicians have in mind. Our opponents would rather raise your taxes than reduce spending. They'd rather take money out of your family budget than out of the Federal budget. They claim you're undertaxed. Let me ask you: Are you undertaxed? Do you want your taxes raised?

*Audience.* No!

*The President.* I hope they can hear you in Washington. During the last election, the people of every State but one said the same thing, and it is about time the Congress got the message. One way you can help them understand is by sending them Kit Bond. He'll deliver your message. Like your fellow Missourian, Mark Twain, once wrote, "Thunder is good, thunder is impressive; but it is lightning that does the work." [Laughter]

America doesn't need higher taxes; it needs less deficit spending. Raising taxes would knock the legs out from under economic growth, leaving us with higher taxes and higher spending. Those Members of Congress who are pushing for higher taxes had better take their eyes off the special interests in the gallery and start looking to the folks back home. There's a step Members of Congress can take right now that will make a contribution, and as I said in the State of the Union Message, if they can't say no to the special interests, well, then, let somebody else—let me take the heat, as you've just been told. And as Governor Ashcroft said, give me what I once had in California and what your Governors have had here—a line-item veto. Forty-three Governors in the Nation have the line-item veto and have used it effectively to protect the taxpayers.

You know, here in Missouri Kit tells me that with impoundment of the line-item veto, he saved you hundreds of millions of dollars in his last term. We need this same tool for responsible government at the Federal level. Why should we be saddled with spending measures that are sneaked into other legislative bills because they can't stand on their own merit? I, with the line-item veto, vetoed 943 such bills, and not once was the veto overridden. The difference was, because in California it takes a two-thirds vote to pass the budget—the difference was that they didn't mind voting for them when they were hidden in the entire budget, but when they had to vote on them standing out there all on their own, they couldn't get the two-thirds vote to override my veto. That's why we need it at the Federal level.

There's also a crowd in Washington who, as usual, is suggesting that the easy way to reduce deficit spending is to slash the defense budget. Well, we're still making up for the folly of a decade ago when our defensive strength was permitted to erode. When we got to Washington on any given day half of our military planes could not fly for lack of spare parts or fuel. Half of our naval vessels could not leave port for lack of either crew or spare parts. We must never permit that to happen again. Strength is the

greatest guarantor of peace, and keeping our country secure and at peace is the highest responsibility of the Federal Government.

Now, I know that you have been treated for the last several years to a drumbeat of propaganda that would picture the Defense Department as a bloated four-star general sitting on a bag of money. Let me tell you that is pure propaganda. The Defense Department has instituted initiatives and improvements in management to the point that most of our weapons systems now are coming in ahead of schedule and under the original asking price instead of coming in with a cost override. The young men and women in our military—more than 90 percent of them high school graduates, the highest percentage we've ever known in the history of American military.

But all those stories you've heard about \$400 hammers and \$6,000—or \$3,000 coffeepots—they just aren't true. First of all, the \$400 hammer: We'd bought 22,000 hammers for between \$6.75 and \$7.50, and this one hammer was in an invoice submitted to the Navy with a whole list of things. And a bright-eyed Navy fellow saw that \$400 hammer, and it was never bought. They adjusted the invoice. And this is the type of thing you've been hearing. And about that \$3,000 coffeepot, no. That's an entire hot-food system for those transport planes of ours that will be carrying in time of emergency 365 military personnel, and it's the same kind of thing that is in all of the commercial planes that we ride in today. And we're getting them for about a hundred dollars less than the commercial airlines are paying for them. So, if you've been listening to the propaganda, believe us when we say we need to keep on doing what we're doing.

There are no easy ways to meet the challenges we face. I know, for example, of the rugged times that many of America's farmers are having. Those farmers who are in trouble are, by and large, the victims of the inflation that the rest of us have managed to escape. They bought land and equipment during those times when prices were rising, often encouraged by government to do so. When inflation stopped, they were left holding the bag—the bag was full of grain,

and the price of grain had gone down. Well, the farm bill I signed recently was about the best thing we could get through the Congress. Tom Coleman and Bill Emerson worked closely with me on this one. Now, all of us are going to have to work together to straighten the situation out. We have to maintain those responsible policies that helped bring down the prime interest rate from 21½ percent that we inherited to less than half of that—9½ percent now.

Low interest rates help the farmer and so does the drop in the price of fuel, bringing down the cost of doing business and spurring growth in a wide range of basic industries. And there's one tax especially harmful to men and women of the land. In 1987, however, the Federal estate tax exemption will increase to \$600,000, which will prevent children from losing farms that have been in their families for generations. They won't have to sell them to pay the inheritance tax. Even better, there will be no estate tax for surviving spouses. And in case the big spenders have any ideas about taking this away under the guise of budget balancing, just like any other tax increase, my answer is, "No way." No way—that's spelled V-E-T-O. [Laughter]

Finally, let me say, the most effective thing we can now do for the American farmer is to fight against so-called domestic protectionism. It isn't really protecting anything. It's the number-one threat faced by American agriculture. Protectionist measures would only raise the price of what farmers and all of us buy and would likely result in retaliatory trade barriers against the export of our farm products overseas.

And the way to correct the trade imbalance is not to decrease imports but to increase exports. Rather than erect trade barriers of our own, let's go to work dismantling those obstacles in other countries. Let's balance up and not down. And that way everyone is better off. I know that Kit Bond is a leader in this area. Our administration has honored him for his promotion of American exports. What we must do is nurture that bold spirit of enterprise that has always been so much a part of the American character. I have little doubt that if the rules are fair, we Americans can out-

produce and outcompete anyone, anywhere in the world.

St. Louis was the departure point for those who conquered the American frontier. Today we're at the jumping-off point for the 21st century. Americans, we must be as bold as those who went before us. One thing that amazed the pundits during the last election was the large number of young people who flocked to our cause. Well, it shouldn't have surprised anyone. We are making tough decisions. We are building a better tomorrow; we're building an America as filled with opportunity and the freedom that was once passed on to us. And that is our sacred responsibility to those younger people. And I think that they've recognized now that that is taking place, and they're going to step out and into the ranks and help us in the future with that.

I have just one last thing I want to say. I know that it's very easy for people to think in our system of checks and balances, well, we have two Senators for each State, why shouldn't we have one for each party? That might look good on the surface, but analyze

something: If you support and believe in the things that we're trying to do, shouldn't you have two Senators there voting to make this happen instead of having one Senator there to cancel out the vote of your other Senator?

All of the things that I've told you about, and more—that we've accomplished in the few years we've been there—I tell you, frankly, could not have been accomplished if we did not have, for the first time in years and years, a majority, a small majority, but a majority in the one House, the Senate. If the both Houses were, as they've been most of the last 50 years, in the hands of the other party, none of the things that have been accomplished would be taking place. So, you send Bill Emerson back to Washington. And, please, you send us Kit Bond, that we can maintain that majority we have in the United States Senate and make more of these good things happen.

Thank you, and God bless you all.

*Note: The President spoke at 12:21 p.m. in the Grand Ballroom at the Omni International Hotel.*

## Message to the House of Representatives Returning Without Approval a United States Coast Guard Bill

*February 14, 1986*

### *To the House of Representatives:*

I am returning herewith without my approval H.R. 2466, a bill "To make miscellaneous changes in laws affecting the United States Coast Guard, and for other purposes."

This legislation was originally intended to make technical and editorial corrections to subtitle II of title 46 of the United States Code. These corrections were necessitated by errors made in the codification of that title in 1983. This bill contains sections that I do support; however, provisions were added that I simply cannot support.

Improving the management of the Federal government has been, and remains, a fundamental goal of my Administration. But close cooperation between our branches of

government is critical if we are to conduct our affairs in a businesslike fashion. Far from giving the Executive branch requisite flexibility to manage efficiently, it creates significant new impediments and contains unwarranted private relief provisions that would set highly undesirable precedents.

For example, the bill would require that any funds expended under the Truman-Hobbs Act by the Coast Guard to alter the Burlington-Northern Railroad bridge be subject to the requirements of the Davis-Bacon Act, adding approximately \$1.5 million to the cost of the project. It would prohibit the trial contracting out of certain aids to navigation functions on the Intra-coastal Waterway in New Jersey, significantly diminishing the scope of this project. It

would establish two unnecessary advisory committees, and exempt certain Coast Guard facilities from personnel ceilings.

It would also reimburse the owners of a bridge in Texas for costs of alterations that under current law are nonreimbursable. Finally, the bill would grant a specific vessel an inappropriate exception to the Merchant Marine Act of 1936, relieving that vessel of its statutory duty to repay a construction differential subsidy. Both of these provisions

would discriminate unfairly and inequitably against those similarly situated. At a time when we are taking difficult steps to reduce the budget deficit, this strikes me as especially unwise.

For these reasons I am compelled to return H.R. 2466 without my approval.

RONALD REAGAN

The White House,  
February 14, 1986.

## Executive Order 12548—Grazing Fees *February 14, 1986*

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to provide for establishment of appropriate fees for the grazing of domestic livestock on public rangelands, it is ordered as follows:

*Section 1. Determination of Fees.* The Secretaries of Agriculture and the Interior are directed to exercise their authority, to the extent permitted by law under the various statutes they administer, to establish fees for domestic livestock grazing on the public rangelands which annually equals the \$1.23 base established by the 1966 Western Livestock Grazing Survey multiplied by the result of the Forage Value Index (computed annually from data supplied by the Statistical Reporting Service) added to the Combined Index (Beef Cattle Price Index minus the Prices Paid Index) and divided by 100; *provided*, that the annual increase or decrease in such fee for any given year shall be limited to not more than plus or minus 25 percent of the previous year's fee, and *provided further*, that the fee shall not be less than \$1.35 per animal unit month.

*Sec. 2. Definitions.* As used in this Order, the term:

(a) "Public rangelands" has the same meaning as in the Public Rangelands Improvement Act of 1978 (Public Law 95-514);

(b) "Forage Value Index" means the weighted average estimate of the annual

rental charge per head per month for pasturing cattle on private rangelands in the 11 Western States (Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, and California) (computed by the Statistical Reporting Service from the June Enumerative Survey) divided by \$3.65 and multiplied by 100;

(c) "Beef Cattle Price Index" means the weighted average annual selling price for beef cattle (excluding calves) in the 11 Western States (Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, and California) for November through October (computed by the Statistical Reporting Service) divided by \$22.04 per hundred weight and multiplied by 100; and

(d) "Prices Paid Index" means the following selected components from the Statistical Reporting Service's Annual National Index of Prices Paid by Farmers for Goods and Services adjusted by the weights indicated in parentheses to reflect livestock production costs in the Western States: 1. Fuels and Energy (14.5); 2. Farm and Motor Supplies (12.0); 3. Autos and Trucks (4.5); 4. Tractors and Self-Propelled Machinery (4.5); 5. Other Machinery (12.0); 6. Building and Fencing Materials (14.5); 7. Interest (6.0); 8. Farm Wage Rates (14.0); 9. Farm Services (18.0).

*Sec. 3.* Any and all existing rules, practices, policies, and regulations relating to

the administration of the formula for grazing fees in section 6(a) of the Public Rangelands Improvement Act of 1978 shall continue in full force and effect.

*Sec. 4.* This Order shall be effective immediately.

RONALD REAGAN

The White House,  
February 14, 1986.

*[Filed with the Office of the Federal Register, 10:32 a.m., February 18, 1986]*

**Message on the Observance of Brotherhood/Sisterhood Week,  
February 16–22, 1986  
*February 14, 1986***

Since 1934 the National Conference of Christians and Jews has sponsored Brotherhood/Sisterhood Week, a celebration that is in the best American tradition. The theme of this year's observance, "To Belong, To Achieve, To Contribute," carries forward the theme of national diversity which has been the inspiration of this annual program.

Once again, we honor the mosaic that is America—a land of mothers and fathers, brothers and sisters, sons and daughters from every background and culture. We are a nation that is truly "one out of many." But America is more than a living tableau of the multitude of faiths and nationalities that have converged on our shores and helped build our character as a people. America is the embodiment of the ideal of active involvement by every citizen in building stronger communities and a better future.

Brotherhood/Sisterhood Week reminds us, therefore, not only of our heritage of tolerance and opportunity, but of the responsibility all of us have to celebrate our belonging by achieving and contributing to the fullest extent of our abilities. Brotherhood/Sisterhood Week gives every American the chance to give thanks for the blessings we enjoy by giving something back to this Land of Liberty—through our churches and schools, charitable and community organizations, and through our families and friends.

I ask all Americans to join with the National Conference of Christians and Jews in programs in honor of Brotherhood/Sisterhood Week, recognizing that we are brothers and sisters, above all, because we are children of God and members of one common human family.

RONALD REAGAN

**Radio Address to the Nation on Welfare Reform  
*February 15, 1986***

*My fellow Americans:*

Today I'd like to speak to you about a gathering crisis in our society: It's a family crisis. To some it's hidden, concealed behind tenement walls or lost in the forgotten streets of our inner cities. But for millions of Americans, the crisis is ever present and growing, and it threatens to become a permanent scar on the American promise

of hope and opportunity for all.

I'm talking about the crisis of family breakdowns, especially among the welfare poor, both black and white. In inner cities today, families, as we've always thought of them, are not even being formed. Since 1960 the percentage of babies born out of wedlock has more than doubled. And too often their mothers are only teenagers.

They're children—many of them 15, 16, and 17 years old with all the responsibilities of grownups thrust upon them. The fathers of these children are often nowhere to be found. In some instances you have to go back three generations before you can find an intact family. It seems even the memory of families is in danger of becoming extinct. And what of the babies born out of wedlock, these children born to children. Statistically, we know that they're much more likely to have a low birth weight and, thus, serious health problems. We know that out-of-wedlock children often suffer abuse and neglect as well. And what sort of future can they look forward to?

The family is the most basic support system there is. For two centuries now, it's been families pulling together that has provided the courage, willpower, and sense of security that have enabled millions of Americans to escape poverty and grab hold of the rungs on the ladder of opportunity. How often have we heard about the immigrant father laboring long into the night to give his children the advantages he never had? How many self-made men and women in America of all ethnic backgrounds owe their success to the strength of character given them by hard-working, loving parents? But for the children of child mothers and absentee fathers, there is often only a deepening cycle of futility, hopelessness, and despair.

We're in danger of creating a permanent culture of poverty as inescapable as any chain or bond; a second and separate America, an America of lost dreams and stunted lives. The irony is that misguided welfare programs instituted in the name of compassion have actually helped turn a shrinking problem into a national tragedy. From the 1950's on, poverty in America was declining. American society, an opportunity society, was doing its wonders. Economic growth was providing a ladder for millions to climb up out of poverty and into prosperity. In 1964 the famous War on Poverty was declared and a funny thing happened. Poverty, as measured by dependency, stopped shrinking and then actually began to grow worse. I guess you could say, poverty won the war. Poverty won in part because instead of helping the poor, government pro-

grams ruptured the bonds holding poor families together.

Perhaps the most insidious effect of welfare is its usurpation of the role of provider. In States where payments are highest, for instance, public assistance for a single mother can amount to much more than the usable income of a minimum wage job. In other words, it can pay for her to quit work. Many families are eligible for substantially higher benefits when the father is not present. What must it do to a man to know that his own children will be better off if he is never legally recognized as their father? Under existing welfare rules, a teenage girl who becomes pregnant can make herself eligible for welfare benefits that will set her up in an apartment of her own, provide medical care, and feed and clothe her. She only has to fulfill one condition—not marry or identify the father.

Obviously something is desperately wrong with our welfare system. With only about half of what is now spent on welfare, we could give enough money to every impoverished man, woman, and child to lift them above the poverty line. Instead, we spend vast amounts on a system that perpetuates poverty. But the waste of money pales before the sinful waste of human potential—the squandering of so many millions of hopes and dreams.

In my State of the Union Address, I directed our administration to study the welfare system with a keen eye to making reforms. We already have in place a low-income assistance working group, which is hard at its task. In addition, I've instructed Attorney General Edwin Meese, as Chairman pro tem of our Domestic Policy Council, to convene a working group to evaluate the effect of a wide range of government programs on American families, especially poor families. These groups will report back to me by December 1st. The welfare tragedy has gone on too long. It's time to reshape our welfare system so that it can be judged by how many Americans it makes independent of welfare.

Until next week, thanks for listening. God bless you.

*Note: The President spoke at 9:06 a.m. from his ranch in Santa Barbara County, CA.*

## Statement on the Presidential Election in the Philippines *February 15, 1986*

We have followed with great interest and concern the Presidential and Vice Presidential elections in the Philippines. As the Philippines is a close friend and ally, what happens to this nation and its people is of great importance to the United States. While maintaining strict neutrality in these elections, we have consistently urged that the process be a fair and credible one leading to a government with the strongest possible mandate. The elections were marked by heartening evidence of the continuing commitment of the Filipino people to the democratic process and the furtherance of a two-party system, which should strengthen that process in the future.

Although our observation delegation has not yet completed its work, it has already become evident, sadly, that the elections were marred by widespread fraud and violence perpetrated largely by the ruling

party. It was so extreme that the election's credibility has been called into question both within the Philippines and in the United States. At this difficult juncture, it is imperative that all responsible Filipinos seek peaceful ways to effect stability within their society and to avoid violence, which would benefit only those who wish to see an end to democracy. Both sides must work together to make those reforms which are needed to ensure a stable democracy, a truly professional military, and a healthy economy.

Our hearts go out to the people of the Philippines. They are at a major crossroads in their history. We are proud of our long association with them and very proud of their passionate devotion to democracy. There are no easy answers. And in the last analysis, they will have to find the solutions themselves. But they will have our help—in any way we can.

## Remarks and an Informal Exchange With Reporters on United States Assistance for the Nicaraguan Democratic Resistance *February 18, 1986*

*The President.* In my State of the Union Address, I said it was vital to our nation's security that we provide the freedom fighters in Nicaragua and other countries with not only the means to die for freedom but also to win freedom. There are many ways in which a democratic outcome can be achieved in Nicaragua. It could happen at the negotiating table or by the success of the ground resistance. But one thing is certain: We must provide more effective assistance, and we must lift the restrictions which now tie our hands. In Congress and, in fact, throughout the world, the opinion about the Sandinistas seems to be shifting toward our view. They don't have many defenders anymore. The debate now is over what we should do about them.

The program approved last year, the \$27

million in humanitarian assistance, has helped to maintain the pressure of the resistance on the Sandinistas. The resistance has continued to grow and is operating deep inside Nicaragua. But we have to do more to help them. As I've said before, you can't fight attack helicopters piloted by Cubans with Band-Aids and mosquito nets.

So, this is what the meeting is going to be about today, as soon as we continue the meeting.

*Q.* Mr. President, how much are you going to ask for in the way of military aid, and when are you going to do it?

*The President.* The meeting hasn't started yet. *[Laughter]*

*Q.* You've got some figures in mind. We hear as much as \$100 million. Would it be that much?



*The President.* We won't have anything more to say than I've just said, as we now proceed with the meeting.

*Q.* Mr. President, what moves are you making to negotiate?

*The President.* What?

*Q.* You haven't been negotiating for months on this issue?

*Mr. Speakes.* The President said thank you, and I say thank you.

*Q.* Are you turning back the Contadora request to wait until they've had their

meeting?

*The President.* No more questions. We've got a meeting.

*Mr. Speakes.* The President said no more questions three times. He means it. So, let's go. Go right out that door there.

*Note: The President spoke at 9:47 p.m. in the Cabinet Room at the White House prior to a meeting with Republican congressional leaders. Larry M. Speakes was Principal Deputy Press Secretary to the President.*

## Executive Order 12549—Debarment and Suspension of Participants in Federal Programs

*February 18, 1986*

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to curb fraud, waste, and abuse in Federal programs, increase agency accountability, and ensure consistency among agency regulations concerning debarment and suspension of participants in Federal programs, it is hereby ordered that:

*Section 1.* (a) To the extent permitted by law and subject to the limitations in Section 1(c), Executive departments and agencies shall participate in a system for debarment and suspension from programs and activities involving Federal financial and nonfinancial assistance and benefits. Debarment or suspension of a participant in a program by one agency shall have government-wide effect.

(b) Activities covered by this Order include but are not limited to: grants, cooperative agreements, contracts of assistance, loans, and loan guarantees.

(c) This Order does not cover procurement programs and activities, direct Federal statutory entitlements or mandatory awards, direct awards to foreign governments or public international organizations, benefits to an individual as a personal entitlement, or Federal employment.

*Sec. 2.* To the extent permitted by law, Executive departments and agencies shall:

(a) Follow government-wide criteria and

government-wide minimum due process procedures when they act to debar or suspend participants in affected programs.

(b) Send to the agency designated pursuant to Section 5 identifying information concerning debarred and suspended participants in affected programs, participants who have agreed to exclusion from participation, and participants declared ineligible under applicable law, including Executive Orders. This information shall be included in the list to be maintained pursuant to Section 5.

(c) Not allow a party to participate in any affected program if any Executive department or agency has debarred, suspended, or otherwise excluded (to the extent specified in the exclusion agreement) that party from participation in an affected program. An agency may grant an exception permitting a debarred, suspended, or excluded party to participate in a particular transaction upon a written determination by the agency head or authorized designee stating the reason(s) for deviating from this Presidential policy. However, I intend that exceptions to this policy should be granted only infrequently.

*Sec. 3.* Executive departments and agencies shall issue regulations governing their implementation of this Order that shall be consistent with the guidelines issued under Section 6. Proposed regulations shall be sub-

mitted to the Office of Management and Budget for review within four months of the date of the guidelines issued under Section 6. The Director of the Office of Management and Budget may return for reconsideration proposed regulations that the Director believes are inconsistent with the guidelines. Final regulations shall be published within twelve months of the date of the guidelines.

*Sec. 4.* There is hereby constituted the Interagency Committee on Debarment and Suspension, which shall monitor implementation of this Order. The Committee shall consist of representatives of agencies designated by the Director of the Office of Management and Budget.

*Sec. 5.* The Director of the Office of Management and Budget shall designate a Federal agency to perform the following functions: maintain a current list of all individuals and organizations excluded from program participation under this Order, periodically distribute the list to Federal agencies, and study the feasibility of automating the list; coordinate with the lead agency responsible for government-wide debarment and suspension of contractors; chair the Interagency Committee established by

Section 4; and report periodically to the Director on implementation of this Order, with the first report due within two years of the date of the Order.

*Sec. 6.* The Director of the Office of Management and Budget is authorized to issue guidelines to Executive departments and agencies that govern which programs and activities are covered by this Order, prescribe government-wide criteria and government-wide minimum due process procedures, and set forth other related details for the effective administration of the guidelines.

*Sec. 7.* The Director of the Office of Management and Budget shall report to the President within three years of the date of this Order on Federal agency compliance with the Order, including the number of exceptions made under Section 2(c), and shall make such recommendations as are appropriate further to curb fraud, waste, and abuse.

RONALD REAGAN

The White House,  
February 18, 1986.

*[Filed with the Office of the Federal Register, 10:56 a.m., February 19, 1986]*

## Nomination of Alfred C. Sikes To Be an Assistant Secretary of Commerce

*February 18, 1986*

The President today announced his intention to nominate Alfred C. Sikes to be Assistant Secretary of Commerce for Communications and Information. He would succeed David John Markey.

Since 1978 he has been serving as president of Sikes and Associates, Inc., in Springfield, MO. Previously, he was president of Sikes and Mahaffey, Inc., a political consulting firm, in 1977-1978; director of the Mis-

souri Department of Consumer Affairs, regulation and licensing, in 1974-1976; and director of the Missouri Department of Community Affairs in 1973-1974.

He graduated from Westminster College (B.A., 1961) and the University of Missouri (LL.B., 1964). He is married, has three children, and resides in Springfield, MO. He was born December 16, 1939, in Cape Girardeau, MO.

## **Nomination of David B. Gray To Be Director of the National Institute of Handicapped Research**

*February 18, 1986*

The President today announced his intention to nominate David B. Gray to be Director of the National Institute of Handicapped Research, Department of Education. He would succeed Douglas A. Fender-son.

Dr. Gray is Health Scientist Administrator for Child Health and Human Development at the National Institute of Handicapped Research in Bethesda, MD. He was adjunct associate professor of psychology at Winona State University and the University of Minnesota, Rochester extension, in 1978-1981;

director of research and development for Rochester State Hospital in Rochester, MN, in 1980-1981; and director of institute programs for the mentally retarded at Rochester Social Adaptation Center, Rochester State Hospital, in 1975-1980.

Dr. Gray graduated from Lawrence University (B.A., 1966), Western Michigan University (M.A., 1970), and the University of Minnesota (Ph.D., 1974). He is married, has three children, and resides in Kensington, MD. He was born February 7, 1944, in Grand Rapids, MI.

## **Nomination of J. Michael Hudson To Be a Deputy Under Secretary of the Treasury, and Designation as an Assistant Secretary**

*February 18, 1986*

The President today announced his intention to nominate J. Michael Hudson to be a Deputy Under Secretary of the Treasury (Legislative Affairs). He would succeed Bruce E. Thompson, Jr. Upon his confirmation the President will designate him as an Assistant Secretary of the Treasury.

Since 1984 Mr. Hudson has been serving at the White House as Special Assistant to the President for Legislative Affairs. Previously, he was Assistant to the Director for Legislative Affairs, Office of Management

and Budget (OMB), in 1982-1984; Deputy Assistant to the Director for Legislative Affairs, OMB, in 1981-1982; legislative assistant and press secretary to U.S. Representative Tom Loeffler (R-TX) in 1979-1981; and speechwriter and legislative aide to U.S. Senator John Tower (R-TX) in 1977-1979.

Mr. Hudson graduated from the University of Texas (B.A., 1971) and American University (M.A., 1975). He was born February 27, 1948, in Hollis, OK, and now resides in Washington, DC.

## **Nomination of John A. Bohn, Jr., To Be President of the Export-Import Bank of the United States**

*February 18, 1986*

The President today announced his intention to nominate John A. Bohn, Jr., to be President of the Export-Import Bank of the United States for a term of 4 years. He would succeed William H. Draper.

Since 1984 he has been serving as First

Vice President and Vice Chairman of the Export-Import Bank of the United States. Previously he was Ambassador of the United States to the Asian Development Bank, Manila, Philippines, in 1981-1984. He was with the Wells Fargo Bank in 1968-

1981, serving in various positions including vice president of the correspondent banking division and manager of international personal banking; division manager for the North American division; manager of the international group; and vice president and Far East representative, Tokyo. From 1964 to 1968, he was in the practice of law in

California and Guam.

Mr. Bohn graduated from Stanford University (A.B., 1959) and Harvard Law School (LL.B., 1963). He attended the London School of Economics (1959-1960). He is married, has four children, and resides in McLean, VA. He was born October 31, 1937, in Oakland, CA.

## **Appointment of Albert John Ossman, Jr., as a Member of the National Historical Publications and Records Commission**

*February 18, 1986*

The President today announced his intention to appoint Albert John Ossman, Jr., to be a member of the National Historical Publications and Records Commission for a term expiring December 26, 1989. This is a reappointment.

Since 1982 he has been serving as professor of political science/public policy and director of the public affairs program at Bethany College in West Virginia. Previously he was professor of political science/public policy at Eisenhower College in 1968-1982.

At Eisenhower College he also served as executive director of development (campaign planning) and associate director of development (1980-1981); associate dean of academic affairs (1977-1980); and director of the division of social sciences in 1963-1968.

He graduated from Syracuse University (A.B., 1950; M.A., 1951; Ph.D., 1963). He is married, has one child, and resides in Bethany, WV. He was born April 23, 1927, in Dunkirk, NJ.

## **Written Responses to Questions Submitted by Caribbean Journalists**

*February 18, 1986*

### *Free and Fair Trade*

*Q.* Although aware of your difficulties with the domestic steel market, Trinidad and Tobago is presently struggling to diversify its economic base as oil revenues continue to fall. The U.S. antidumping regulations designed, we suspect, to arrest threats from producers in the developed world, nonetheless threaten to frustrate the prospects of this industry. Would you, as part of your enlightened design to assist the Caribbean, give sympathetic consideration to relaxing existing trade laws insofar as a country like Trinidad and Tobago is concerned?

*The President.* This administration has consistently favored free trade. U.S. antidumping and countervailing duty regulations are consistent with this philosophy. U.S. antidumping and countervailing duty

laws are administered impartially, fairly, and in a manner to uphold U.S. international obligations under the GATT [General Agreement on Tariffs and Trade]. These laws do not protect U.S. industry against fair competition, but rather are designed to offset subsidies and other trade-distorting practices. We believe it is in the interest of all countries to avoid subsidization and pricing practices that are harmful to trading partners.

### *Caribbean Basin Initiative*

*Q.* What is your reaction to economic and political developments in the Caribbean since you have been in office, and has the reality of the CBI lived up to your expectations?

*The President.* We have been very en-

couraged by the political evolution in the Caribbean since 1980. The vitality of popularly elected governments is a testament to the strength of the region's democratic traditions and institutions. We fully support this trend. While economic recovery has often been sluggish because of the vulnerability of these small economies, there is growing evidence of improvement. I am heartened by the growth of nontraditional exports from the region. These are the new industries, stimulated by the CBI, which are the source of future growth and employment. In some countries, expectations of rapid CBI-led growth have been unrealistic. It is important to recall that the CBI was given a 12-year lifespan in recognition that even in the best of circumstances, it takes time to expand exports and attract productive investments. I have great faith in the potential benefits of the CBI and am committed to maintain the opportunities for economic expansion, which is the ultimate goal of the program.

*Q.* The United States administration has in recent years placed greater emphasis on bilateral assistance to Caribbean States than it has assistance through institutions which have been established to foster regional integration in the commonwealth Caribbean. Is the administration not concerned that this practice tends more to lead to fragmentation rather than integration, for which the administration affirms support?

*The President.* The United States has developed a balanced program of bilateral and multilateral assistance in the Caribbean. We continue to assist Caribbean regional institutions—in agricultural technology, in health and nutrition, in education and curriculum reform—areas where scarce technical or managerial resources can be marshaled in a cost-effective manner to assist a number of countries experiencing similar problems. Bilateral assistance does not weaken the integration movement. Our bilateral assistance programs respond to the requests and priorities of the individual Caribbean governments. They are carefully tailored to specific needs and support policies and reforms directed toward economic diversification and productive private investment.

*Q.* Agreeing with the recommendation that West Indian governments should institute programs that will keep their citizens at home to help in the development of the region, will you consider setting up a task force which could assist regional organizations and/or individual governments in preparing such plans, and will you be prepared to encourage and help to provide for the availability of venture capital to facilitate would-be entrepreneurs?

*The President.* I believe economic development can best be promoted and entrepreneurs attracted to investments by establishing a stable business climate and allowing a fair rate of return on investment. In the public sector, governments can improve the business climate by adjusting tax policies and removing unnecessary restrictions on business and trade. There are other positive measures that governments can take. I understand, for example, that a number of governments in the region have energetically promoted the establishment of industrial parks and have directed infrastructure investment toward providing a favorable foundation for new business. Using the advantages offered by the Caribbean Basin Initiative and various institutions, governments can address their economic problems, attract venture capital, and allow the private sector to thrive. A sound economy with a bright future is the key element in deterring the migration of skilled citizens.

#### *Caribbean-U.S. Relations*

*Q.* You are the first United States President to have taken such a keen interest in the Caribbean area to the extent that you have now visited three of the countries and have also created the Caribbean Basin Initiative for the benefit of the region. What is your vision of the future of the Caribbean and its relationship with your country, and how do you think these can best be achieved?

*The President.* We have taken such a keen interest in the Caribbean because the Caribbean region is important to the United States. I believe the future of the Caribbean is bright, and I have no doubt that the close relationship that exists today between the

democratic countries of the Caribbean and the United States will continue to grow. We share not only a rich history of similar traditions and values, but we also have come to know each other as people. Hundreds of thousands of people travel annually between the United States and the Caribbean, and this has served to strengthen the bonds of friendship and understanding between us. We know what we have to do to maintain this close relationship. We share similar views on the need to defend democracy, on the superiority of democratic institutions, and on the strength of private enterprise. We have to solve some economic problems, but I have no doubt that together we will overcome them.

#### *Human Rights*

*Q.* You are a strong advocate of the democratic process and governments which are freely and fairly elected by their people. In considering your country's assistance to the region, what will your policy be toward governments which manifestly fall short of what are regarded as accepted norms of democracy and human rights?

*The President.* The democratic process requires free and fair elections and the nurturing and strict observance of the rights of the individual. The democratic countries of the Eastern Caribbean and the United States agree on these principles. We are also aware that there are governments in the region that get poor marks on both counts. We first have to determine what a government wants to achieve. If that government wants to move toward democracy and is making a serious effort to observe human rights, the United States, working together with Caribbean countries, will do what it can to encourage these developments.

#### *Jamaica-U.S. Relations*

*Q.* Are you satisfied that your administration has helped Jamaica as much as it could to grow during your term of office?

*The President.* When the Caribbean Basin Initiative was submitted to the Congress 3 years ago, I noted that "deteriorating trade opportunities, worldwide recession, mounting debt burdens, growing unemployment, and deep-seated structural problems are

having a catastrophic effect throughout the region." As the Jamaican people are painfully aware, Jamaica's difficulties have been further complicated by the deepening problems in the bauxite industry. It will take imagination and work to expand nontraditional exports to make up for the resulting decline in foreign exchange earnings. The expansion will not happen overnight. With CBI, however, the door to Jamaica's major market is now open, and I am determined to keep it open.

Meanwhile, we have responded to Jamaica's hardships by stepping up our assistance and urging others to do likewise. Encouraged by the policy reforms implemented by the Jamaican Government, we have provided funds to finance essential imports, including food, until Jamaica can expand its nontraditional exports. We are also aware of the need to maintain basic social services, and our aid program includes important assistance for schools, health care centers, and housing. Finally, we are providing technical expertise to speed the economic adjustment process by helping Jamaican agriculture and industry meet the challenges of world markets.

*Q.* Given your strong campaign against narcotics, is your administration satisfied with the efforts of the Jamaican Government to control the flow from this side?

*The President.* There is a growing realization in many countries that illegal drugs constitute a deadly threat to the physical and moral well-being of their peoples. With this realization has come the recognition that drug abuse is not just a problem for the producer country or the consumer country, but a common problem that both countries must deal with together. U.S. policy recognizes the need to cooperate with the producer countries in meeting the threat. In addition to discouraging consumption in the United States, we have supported the efforts of producer countries like Jamaica to eradicate the crops in the field, and we have worked with their security forces to interdict the export of processed drugs. The results have been encouraging. Jamaica began to intensify marijuana eradication in 1984. But last year, we believe the acreage eradicated was three to four times the 1984

total, so that net yield fell by about a third. We are certain that the Jamaicans can make further progress in 1986, and we want to continue to provide the support Jamaica needs.

#### *Grenada-U.S. Relations*

*Q.* Thirteen persons in Grenada have been charged with and await trial for taking part in illegal military exercises. Against the background of what the United States has invested in lives and money to restore democracy to the island, what will be the reaction of your administration to a violent uprising against the Government of Grenada if there is clear evidence of foreign involvement in the uprising; if there is *no* clear indication of foreign involvement in the uprising?

*The President.* First of all, I sincerely hope that the hypothetical uprising you mentioned never becomes a reality in Grenada. The Grenadian people have already suffered too much during their short years of independence. Following the rescue mission in October 1983, both the United States and the Eastern Caribbean States made Grenada's security a high priority. The police force was regrouped, trained, and by September of last year had assumed responsibility for security. From the accounts I have heard, they have done an excellent job. Grenada and the Eastern Caribbean States also strengthened the regional security system. The United States assisted in establishing well-trained individual special service units, particularly in Grenada. These units are not only meant to deal with a threat once it occurs but also to prevent it from happening in the first place. The United States is fully aware of its commitment to preserving democracy in Grenada and will stand by it in times of need.

*Q.* What effect will the budget cutback in the United States have on Grenada in terms of grant money through the U.S. Agency for International Development (AID) in service to Grenada through such channels as the Peace Corps, police trainers, etc?

*The President.* We cannot yet say what effect budget cuts will have on our future assistance program. As far as the AID program is concerned, the important thing is to establish priorities and to help govern-

ments that take steps to help themselves. Grenada has come a long way in the past 2 years, and I look forward to seeing the improvements for myself when I visit on February 20. There have been severe economic problems, and together with the Grenadian people, we have tried to solve these problems and to assure a stable future. U.S. aid to Grenada has been a good investment. In our aid program, we will work closely with the Government of Grenada in setting priorities so that the assistance funds available are applied to the most effective programs, which will allow productivity and the private sector in Grenada to thrive. I would like to stress that foreign assistance is meant to lay the foundation for a vibrant economy. The key to growth is investment and trade. In that respect, the opportunities provided by the CBI will contribute to achieving and maintaining a sound economy in Grenada. You just have to take advantage of the opportunities.

*Q.* If, as has been stated by personnel at the U.S. Embassy in Grenada, this is a full-fledged Embassy, not inferior to any other U.S. Embassy in the Caribbean community, why is the chief of mission styled "Chargé d'Affaires" and not "Ambassador"? Why do Grenadians still have the expense and inconvenience of having to travel to the Embassy in Barbados for consular matters, such as the obtaining of visas?

*The President.* Following the Grenada rescue mission in October 1983, we established an Embassy in Grenada. A Chargé d'Affaires was appointed as my representative in Grenada. The Embassy in Grenada is a full-fledged Embassy. I sympathize with some of the difficulties in obtaining visas, but the temporary nature of the facilities preclude us from providing the full range of visa services available at many, but not all, of our Embassies abroad. I know that the Embassy has tried to be helpful in obtaining visas through Bridgetown.

#### *Guyana-U.S. Relations*

*Q.* Several Prime Ministers within the Caribbean have recently become convinced that the new Government of Guyana made an honest attempt to hold fair and free elections. Does your government have a

view about this? And if you are likewise convinced, would that in any way change your administration's policy towards Guyana, and if so in what way?

*The President.* Support for democracy is a cornerstone of U.S. foreign policy. We share with the Caribbean island leaders who will be in Grenada the goal of worldwide respect for democratic institutions. Fair and free elections are, of course, an essential element in the democratic process. I am aware that a controversy exists about the recent elections in Guyana; however, we did not send official observers, and I cannot make definitive statements about the process. I look forward to hearing in Grenada the assessment of my colleagues on how democracy is progressing in the region. The United States welcomes the opportunity for improved relations with Guyana and recognizes the importance of increased cooperation between that country and other Caribbean States.

#### *U.S. Economic Assistance*

*Q.* Mr. President, our newspaper welcomed your country's intervention in Grenada, but the conditions of economic decline which led to that event remain. The evidence, even with the CBI, suggests that the United States has been far less disposed to address the underlying economic difficulties in the Caribbean which are really at the heart of the problem. Given the weak infrastructure development of the majority of Eastern Caribbean States, there are very few now in a position to benefit from the access afforded into the U.S. market. Would your administration sympathetically consider expanded financial aid for infrastructure development designed to stimulate productive and export capacity as a supply service to the CBI, to stimulate productive and export capacity of the smaller Caribbean States?

*The President.* I respectfully disagree with the premise of your question. Our assistance to Grenada and, indeed, to the entire Eastern Caribbean already includes infrastructure improvement as a major component. In Grenada, St. Lucia, St. Vincent, and Dominica we have supported major road reconstruction; in Antigua we are improving water systems; and in St. Lucia, St. Vin-

cent, Dominica, and Grenada we have helped improve the power generating system. We support factory shell reconstruction throughout the region. We do this precisely for the reasons laid out in your question—to stimulate productive private investment and thereby enhance the export capacity of the smaller Caribbean States. Since passage of the CBI, our assistance has increased sharply.

#### *U.S. Immigration Policy*

*Q.* The U.S. immigration policy appears somewhat restrictive to Caribbean nationals compared with nationals of other countries. Do you not see this as a contradiction of your stated policy to aid economic development of this region, suffering from high unemployment and sluggish development?

*The President.* United States immigration policy does not discriminate against Caribbean nationals or nationals of any other country. Our immigration laws are designed to be as fair as possible to the millions of people worldwide, including those in the Caribbean, who wish to immigrate to the United States. But there is a second assumption in your question that I find troubling. You seem to assume that one good solution to the economic problems of the Caribbean is for people to move to the United States. I don't believe that people should have to uproot themselves and separate themselves from their homes, their homelands, and their families in order to live a decent life. On the contrary, I believe that it is the responsibility of everyone—the government, business, labor, private citizens—to help expand economic opportunities at home. This means that governments must free the individual's energies to work and create, and that individuals must seek and take hold of opportunities to improve themselves.

The Caribbean's economic problems will never be resolved through immigration to the United States. What the countries of the Caribbean need is to find and create new opportunities. They need to develop new goods to export and service industries to attract foreign exchange. We would like to be part of a cooperative effort to help you do that. But to encourage people to leave



their homelands doesn't solve the problem. It merely postpones what must be done to develop strong, balanced economies; destroys the people's confidence in themselves and their societies; frequently deprives the country of talents sorely needed at home; and creates social disruption. In the long run, that approach would bear negative results for the countries of the Caribbean.

*Soviet Influence in the Western Hemisphere*

*Q.* There is a perception that there has been some slight easing of East-West tension since your meeting with Soviet leader Gorbachev. What does this development mean for this region, which your administration identified as one that was subject to Communist penetration?

*The President.* Chairman Gorbachev and I had several long discussions in Geneva, and I certainly hope that those discussions have led to a reduction in tensions. I think they have. But a reduction in tensions does not mean a reduction in vigilance. We are very much aware of recent Soviet-Cuban and Libyan attempts to penetrate this hemisphere. In Nicaragua, we see the attempt by the Sandinistas, with help from Cuba and its Soviet patron, to consolidate repressive Communist rule. And right here in the Caribbean exists one of the most repressive regimes on Earth, the government of Fidel Castro in Cuba, which has caused over a million people to flee their home-

land. Castro has created an island prison in the middle of the Caribbean as a grim reminder of what can happen if we are not prepared to defend our freedom. In Grenada a handful of tyrants almost succeeded, with help from Cuba and the Soviet Union, in creating a repressive, militarized state which would have been a threat to the other nations of the Caribbean Basin and the United States.

The United States rejects the idea that the Soviets should be able to spread their influence through subversion in this region. We believe that free people everywhere should support those who fight for freedom and against repression. That is what we are doing in Nicaragua, and that is why we responded to requests to rescue Grenada in 1983. As a result of my meetings with Mr. Gorbachev in Geneva, tensions may have been reduced, but not at the expense of our principles. I made it clear to Mr. Gorbachev that the United States feels very strongly about freedom and security in this hemisphere. We believe the democracies of the Caribbean should be allowed to develop without threats of subversion from the Soviet Union or Cuba. And Mr. Gorbachev knows that we will oppose any attempts by the Soviet Union and its allies to threaten the security of this hemisphere.

*Note: The questions and answers were released by the Office of the Press Secretary on February 19.*

## Message to the Congress Transmitting the Annual Report of the Council on Environmental Quality *February 19, 1986*

*To the Congress of the United States:*

I am pleased to transmit to the Congress the 15th Annual Report of the Council on Environmental Quality.

By most conventional measures of environmental quality, the air and the waters of the United States continue to improve as a result of the enormous national commitment to these goals that has come about since 1970. Likewise, we continue to be

ever more careful stewards of our lands and their abundant natural resources—wildlife, soils, minerals, fuels, and forests. We are moving aggressively to eliminate serious contamination of valuable land and ground water from the past mismanagement of hazardous wastes, and I have urged the Congress to reauthorize the Federal “superfund” program so that our momentum in this important work is not lost.

As the largest sources of environmental pollution have been controlled, and critical lands protected, our attention is drawn to highly specialized problems—such as detecting and determining the significance of trace levels of chemical substances in the air, in surface and ground waters, in fish tissue, and in soils. Further progress in eliminating environmental pollutants wherever they are found to have significant impacts is leading to the control of larger numbers of smaller, more dispersed sources of potential environmental contamination, including small firms, farmers, and individuals. This trend has enormous implications, both in terms of the costs of removing such small amounts of pollution from such large volumes of the medium in which it is found, and because it seems to require detailed regulatory interventions into individual lives. Recognizing this, the Council on Environmental Quality's report documents and suggests a broader range of environmental policy alternatives that ought to be considered.

The policy recommendations contained herein are based on two fundamental propositions. The first is that the spirit, creativity, and personal drive of individual Americans will always be this Nation's greatest resource. It is the human genius that turns physical substances into resources, and human creativity in a free society is never exhaustible. Second, human institutions can encourage or constrain the ability of people to make the best use of their resources and to solve environmental problems. Rational policies that recognize and make effective use of economic incentives should help to improve the management of our environment and natural resources by stimulating new achievements on the part of the American people. Efficient use of the Nation's resources, guided whenever possible by free markets rather than centralized controls, will work to promote environmental health, economic productivity, and fiscal responsibility.

Some of the specific policies that follow from these perceptions are discussed in this report. They include enlisting volunteer efforts, long characteristic of this Nation, on behalf of parks, wildlife, and natural and historic preservation.

The Federal government's own activities should avoid adversely affecting environmental quality. This is now accomplished chiefly through the environmental impact assessment process. Another means to implement such a policy is contained in the Coastal Barrier Resources Act, which removed Federal subsidies for the development of these sensitive lands. Studies are currently underway to assess its effectiveness and to consider its applicability to other areas of critical environmental concern.

Efforts to create markets and to consider market-like management practices, which are being tried by Federal agencies in air quality and some land and water resource management programs, can be extended into other areas. A variety of successful State, local, and private market-oriented initiatives that have solved pressing water resources problems without Federal funds is documented in this report. And on the public lands, proposed user fee revenues would be invested in maintaining facilities that personally benefit recreationists and others, so that only the real public benefits would be paid by the taxpayer.

Finally, environmental protection regulations should be fashioned so that innovation and the substitution of progressively safer new products and technologies for old ones are not inhibited, especially where risk reduction or increased benefits will be the likely result. We must be alert lest government restrictions, however benevolently aimed at protecting the public as a whole, begin to hamper the creativity and productivity of entrepreneurs and other individuals who also can bring about social advances.

This Administration is dedicated to promoting conservation and stewardship. Conservation means the efficient use of natural resources. Stewardship entails a love of the land and a determination to pass onto future generations a high quality environment suitable for human living. A strong nation is one that is loved by its people and, as Edmund Burke put it, for a country to be loved it ought to be lovely. The ideas of conservation and stewardship suggest also that economic productivity is not a proper

end in itself, but is only a means to the end of improved lives for all Americans. Riches alone do not guarantee the maintenance of a social order in which people can take pride.

But conservation and stewardship should never come to mean opposition to change through the fear that new development will more likely bring personal decline than social advance. The discomforts of change will be more than compensated by the benefits of a dynamic economy, in securing opportunity for new generations and in rewarding individual enterprise and initiative. A society of rising accomplishment and enhanced expectations will provide a better life for its people: a cleaner environment, and improved health and nutrition, superior educational, cultural, and recreational opportunities.

Inspired by promise, sustained by hope,

past generations of Americans built a free and prosperous Nation based upon the principles of individual initiative and personal responsibility and upon private institutions of many types. They worked to turn our abundant natural resources to productive use and they learned to love their new land with its grand vistas, its mountains and forests, its fertile fields, and its bustling cities. Environment and natural resources policy can be used to help further these ideals so that liberty, prosperity, and a beautiful and healthful natural environment will continue to bless the lives of the American people. Then surely our good times will not have passed; indeed, our best days will be yet to come.

RONALD REAGAN

The White House,  
February 19, 1986.

## Message to the Congress Transmitting the Annual Report of the National Endowment for Democracy *February 19, 1986*

*To the Congress of the United States:*

Pursuant to the provisions of Public Law 98-164, as amended, I herewith transmit the second annual report of the National Endowment for Democracy, which covers the period from October 1, 1984, through September 30, 1985.

I am pleased to forward this report, which summarizes the very important work that this organization has accomplished in the past year. The National Endowment for Democracy is a key instrument in our ability to support what we believe in around the world. The Endowment permits us to give assistance to democracy by strengthening those key sectors of society that represent the basis of a free society. One of the strengths of this organization is that it is constructed on a bipartisan basis. Its activi-

ties range from Chile to Poland, from South Africa to Nicaragua, and from the Philippines to Cuba. Although the Endowment has been in operation for less than two years, the enthusiasm and support with which the world's democrats have greeted this initiative has been very gratifying. The support of the Congress is essential for the continued growth of this vital program. This Administration strongly backs the National Endowment for Democracy and will work closely with the Congress to ensure the continued growth and expansion of this vital effort.

RONALD REAGAN

The White House,  
February 19, 1986.

## Executive Order 12550—Amendments to the Manual for Courts-Martial, United States, 1984

February 19, 1986

By the authority vested in me as President by the Constitution of the United States and by Chapter 47 of Title 10 of the United States Code (Uniform Code of Military Justice), in order to prescribe amendments to the Manual for Courts-Martial, United States, 1984, prescribed by Executive Order No. 12473, as amended by Executive Order No. 12484, it is hereby ordered as follows:

*Section 1.* Part II of the Manual for Courts-Martial, United States, 1984, is amended as follows:

a. R.C.M. 707(a) is amended to read as follows:

“(a) *In general.* The accused shall be brought to trial within 120 days after the earlier of:

“(1) Notice to the accused of preferral of charges under R.C.M. 308; or

“(2) The imposition of restraint under R.C.M. 304(a) (2)–(4).”

b. R.C.M. 805(b) is amended by striking out “911” each time it appears and inserting “912” in lieu thereof.

c. R.C.M. 903(c)(3) is amended by inserting “a request” after “or”.

d. R.C.M. 909 is amended—

(1) by amending subsection (a) to read as follows:

“(a) *In general.* No person may be brought to trial by court-martial if that person is presently suffering from a mental disease or defect rendering him or her mentally incompetent to the extent that he or she is unable to understand the nature of the proceedings against that person or to conduct or cooperate intelligently in the defense of the case.”;

(2) in subsection (b) by striking out “appears” and inserting in lieu thereof “is established”; and

(3) by amending subsection (c)(2) to read as follows:

“(2) *Standard.* Trial may proceed unless it is established by a preponderance of the evidence that the accused is presently suffering from a mental disease or defect ren-

dering him or her mentally incompetent to the extent that he or she is unable to understand the nature of the proceedings against the accused or to conduct or cooperate intelligently in the defense of the case.”.

e. R.C.M. 916(e)(3) is amended by striking out “(c)(1)” and inserting in lieu thereof “(e)(1)”.

f. R.C.M. 920(e)(2) is amended by inserting “, unless trial of a lesser included offense is barred by the statute of limitations (Article 43) and the accused refuses to waive the bar” after “issue”.

g. R.C.M. 921(d) is amended by striking out “sentence” and inserting in lieu thereof “findings”.

h. R.C.M. 922(b) is amended—

(1) by redesignating the second sentence as paragraph (1); and

(2) by inserting the following new paragraph at the end thereof:

“(2) In a capital case, if a finding of guilty is unanimous with respect to a capital offense, the president shall so state. This provision shall not apply during reconsideration under R.C.M. 924(a) of a finding of guilty previously announced in open court unless the prior finding was announced as unanimous.”.

i. R.C.M. 1001 is amended—

(1) in subsection (b)(1) by striking out “age, pay,” and inserting in lieu thereof “pay”; and

(2) in subsection (b)(3)(B) by striking out “65(c)” and inserting in lieu thereof “64”.

j. R.C.M. 1003(b)(10)(B) is amended by inserting “Regardless of the maximum punishment specified for an offense in Part IV of this Manual, a dishonorable discharge may be adjudged for any offense of which a warrant officer who is not commissioned has been found guilty.” after the first sentence.

k. R.C.M. 1004 is amended—

(1) by striking out “circumstance” and “circumstances” each time these words appear and inserting in lieu thereof “factor” and “factors”, respectively;

(2) in subsection (a) by—

(A) striking out “and” at the end of paragraph (1); and

(B) redesignating paragraph (2) as paragraph (3) and inserting the following as paragraph (2):

“(2) The accused was convicted of such an offense by the concurrence of all the members of the court-martial present at the time the vote was taken; and”;

(3) by amending subsection (b)(4) to read as follows:

“(4) *Necessary findings.* Death may not be adjudged unless—

“(A) The members find that at least one of the aggravating factors under subsection (c) existed;

“(B) Notice of such factor was provided in accordance with paragraph (1) of this subsection and all members concur in the finding with respect to such factor; and

“(C) All members concur that any extenuating or mitigating circumstances are substantially outweighed by any aggravating circumstances admissible under R.C.M. 1001(b)(4), including the factors under subsection (c) of this Rule.”;

(4) by amending subsection (c)(2) to read as follows:

“(2) That in committing the offense the accused—

“(A) Knowingly created a grave risk of substantial damage to the national security of the United States; or

“(B) Knowingly created a grave risk of substantial damage to a mission, system, or function of the United States, provided that this subparagraph shall apply only if substantial damage to the national security of the United States would have resulted had the intended damage been effected.”;

(5) in subsection (c)(4) by striking out “Article 120” and inserting in lieu thereof “Articles 104, 106a, or 120”;

(6) in subsection (c)(7)(F) by—

(A) inserting “(including a Delegate to, or Resident Commissioner in, the Congress)” after “Member of Congress”; and

(B) striking out “or any judge of the United States.” and inserting in lieu thereof “justice or judge of the United States, a chief of state or head of government (or the political equivalent) of a foreign nation, or a foreign official (as such term is defined in

section 1116(b)(3)(A) of title 18, United States Code), if the official was on official business at the time of the offense and was in the United States or in a place described in Mil.R.Evid. 315(c)(2) or 315(c)(3);”;

(7) in subsection (c)(9)(B) by striking out “or”;

(8) in subsection (c)(10) by striking out the period and inserting “; or” in lieu thereof; and

(9) by inserting the following new subsection after subsection (c)(10):

“(11) That, only in the case of a violation of Article 104 or 106a:

“(A) The accused has been convicted of another offense involving espionage or treason for which either a sentence of death or imprisonment for life was authorized by statute; or

“(B) That in committing the offense, the accused knowingly created a grave risk of death to a person other than the individual who was the victim.”.

1. R.C.M. 1010 is amended—

(1) by striking out “ADVICE” and inserting in lieu thereof “NOTICE” in the rule title;

(2) by striking out “(a) *Advice.*” at the beginning of the rule;

(3) by redesignating subsections (1), (2), (3), and (4) as subsections (a), (b), (c), and (d), respectively; and

(4) by striking out subsection (b), “*Inquiry*”, in its entirety.

m. R.C.M. 1106(b) is amended by striking out “or any reviewing” and inserting in lieu thereof “to any reviewing”.

n. R.C.M. 1114(c)(1) is amended by striking out “actions” in the last sentence and inserting in lieu thereof “orders”.

Sec. 2. Part III of the Manual for Courts-Martial, United States, 1984, is amended as follows:

a. Mil.R.Evid. 304 is amended as follows:

(1) Subdivision (a) is amended by striking out “An involuntary” and inserting in lieu thereof “Except as provided in subsection (b), an involuntary”.

(2) Subdivision (b) is amended by—

(A) striking out “*Exception*” and inserting in lieu thereof “*Exceptions*”;

(B) designating the first sentence as subsection (1); and

(C) adding the following new subsection at the end thereof:

“(2) Evidence that was obtained as a result of an involuntary statement may be used when the evidence would have been obtained even if the involuntary statement had not been made.”.

(3) Paragraph (e)(3) is amended by—

(A) striking out “either”;

(B) striking out “or” and inserting in lieu thereof a comma;  
and

(C) inserting “, or that the evidence would have been obtained even if the statement had not been made” after “use of the statement”.

b. Mil.R.Evid. 311 is amended as follows:

(1) Subdivision (b) is amended to read as follows:

“b. *Exceptions.*

“(1) Evidence that was obtained as a result of an unlawful search or seizure may be used to impeach by contradiction the in-court testimony of the accused.

“(2) Evidence that was obtained as a result of an unlawful search or seizure may be used when the evidence would have been obtained even if such unlawful search or seizure had not been made.

“(3) Evidence that was obtained as a result of an unlawful search or seizure may be used if:

“(A) The search or seizure resulted from an authorization to search, seize, or apprehend issued by an individual competent to issue the authorization under Mil.R.Evid. 315(d) or from a search warrant or arrest warrant issued by competent civilian authority;

“(B) The individual issuing the authorization or warrant had a substantial basis for determining the existence of probable cause; and

“(C) The officials seeking and executing the authorization or warrant reasonably and with good faith relied on the issuance of the authorization or warrant. Good faith shall be determined on an objective standard.”.

(2) Paragraph (e)(1) is amended by striking out the period at the end thereof and inserting in lieu thereof “, that the evidence would have been obtained even if the unlawful search or seizure had not been made, or that the evidence was obtained by offi-

cials who reasonably and with good faith relied on the issuance of an authorization to search, seize, or apprehend or a search warrant or an arrest warrant.”.

(3) Paragraph (e)(2) is amended by striking out the period at the end thereof and inserting in lieu thereof “, that the evidence would have been obtained even if the unlawful search or seizure had not been made, or that the evidence was obtained by officials who reasonably and with good faith relied on the issuance of an authorization to search, seize, or apprehend or a search warrant or an arrest warrant.”.

c. Mil.R.Evid. 609(e) is amended by deleting “65(c)” and inserting in lieu thereof “64”.

d. Mil.R.Evid. 804(a) is amended by striking out “claim or lack of memory” and inserting in lieu thereof “claim of lack of memory”.

*Sec. 3.* Part IV of the Manual for Courts-Martial, United States, 1984, is amended as follows:

a. Paragraph 16 is amended—

(1) in subparagraph b(3)(b) by striking out “had knowledge” and inserting in lieu thereof “knew or reasonably should have known”;

(2) by amending subparagraph c(3)(b) to read as follows:

“(b) *Knowledge.* Actual knowledge of duties may be proved by circumstantial evidence. Actual knowledge need not be shown if the individual reasonably should have known of the duties. This may be demonstrated by regulations, training or operating manuals, customs of the service, academic literature or testimony, testimony of persons who have held similar or superior positions, or similar evidence.”; and

(3) by amending subparagraph f(4) to read as follows:

“(4) *Dereliction in the performance of duties.*

“In that \_\_\_\_\_, (personal jurisdiction data), who (knew) (should have known) of his/her duties (at/on board—location) (subject-matter jurisdiction data, if required), (on or about \_\_\_\_\_ 19\_\_\_\_ (from about \_\_\_\_\_ 19\_\_\_\_ to about \_\_\_\_\_ 19\_\_\_\_), was derelict in the performance of those duties in that he/she (negligently) (willfully) (by

culpable inefficiency) failed to \_\_\_\_\_, as it was his/her duty to do.”

b. Part IV is amended by inserting the following new paragraph after paragraph 30:

“30a. Article 106a—Espionage

“a. *Text.*

“(a)(1) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver, or transmit, to any entity described in paragraph (2), either directly or indirectly, any thing described in paragraph (3), shall be punished as a court-martial may direct, except that if the accused is found guilty of any offense that directly concerns (A) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large scale attack, (B) war plans, (C) communications intelligence or cryptographic information, or (D) any other major weapons system or major element of defense strategy, the accused shall be punished by death or such other punishment as a court-martial may direct.

“(2) An entity referred to in paragraph (1) is—

“(A) a foreign government;

“(B) a faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States; or

“(C) a representative, officer, agent, employee, subject, or citizen of such a government, faction, party, or force.

“(3) A thing referred to in paragraph (1) is a document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense.

“(b)(1) No person may be sentenced by court-martial to suffer death for an offense under this section (article) unless—

“(A) The members of the court-martial unanimously find at least one of the aggravating factors set out under subsection (c); and

“(B) The members unanimously determine that any extenuating or mitigating

factors are substantially outweighed by any aggravating circumstances, including the aggravating factors set out under subsection (c).

“(2) Findings under this subsection may be based on—

“(A) evidence introduced on the issue of guilt or innocence;

“(B) evidence introduced during the sentencing proceeding; or

“(C) all such evidence.

“(3) the accused shall be given broad latitude to present matters in extenuation and mitigation.

“(c) A sentence of death may be adjudged by a court-martial for an offense under this section (article) only if the members unanimously find, beyond a reasonable doubt, one or more of the following aggravating factors:

“(1) The accused has been convicted of another offense involving espionage or treason for which either a sentence of death or imprisonment for life was authorized by statute.

“(2) In the commission of the offense, the accused knowingly created a grave risk of substantial damage to the national security.

“(3) In the commission of the offense, the accused knowingly created a grave risk of death to another person.

“(4) Any other factor that may be prescribed by the President by regulations under section 836 of this title (Article 36).”.

“b. *Elements.*

“(1) *Espionage.*

“(a) That the accused communicated, delivered, or transmitted any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense;

“(b) That this matter was communicated, delivered, or transmitted to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly; and

“(c) That the accused did so with intent

or reason to believe that such matter would be used to the injury of the United States or to the advantage of a foreign nation.

*"(2) Attempted espionage.*

"(a) That the accused did a certain overt act;

"(b) That the act was done with the intent to commit the offense of espionage;

"(c) That the act amounted to more than mere preparation; and

"(d) That the act apparently tended to bring about the offense of espionage.

*"(3) Espionage as a capital offense*

"(a) That the accused committed espionage or attempted espionage; and

"(b) That the offense directly concerned (1) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large scale attack, (2) war plans, (3) communications intelligence or cryptographic information, or (4) any other major weapons system or major element of defense strategy.

*"c. Explanation*

"(1) *Intent.* 'Intent or reason to believe' that the information 'is to be used to the injury of the United States or to the advantage of a foreign nation' means that the accused acted in bad faith or otherwise without authority with respect to information that is not lawfully accessible to the public.

"(2) *National defense information.* 'Instrument, appliance, or information relating to the national defense' includes the full range of modern technology and matter that may be developed in the future, including chemical or biological agents, computer technology, and other matter related to the national defense.

"(3) *Espionage as a capital offense.* Capital punishment is authorized if the government alleges and proves that the offense directly concerned (1) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large scale attack, (2) war plans, (3) communications intelligence or cryptographic information, or (4) any other major weapons system or major element of defense strategy. *See* R.C.M. 1004 concerning sentencing proceeding in capital cases.

"d. *Lesser included offense.* Although no lesser included offenses are set forth in the

code, federal civilian offenses on this matter may be incorporated through the third clause of Article 134.

*"e. Maximum punishment*

"(1) *Espionage as a capital offense.* Death or such other punishment as a court-martial may direct. *See* R.C.M. 1003 and R.C.M. 1004.

"(2) *Espionage or attempted espionage.* Any punishment, other than death, that a court-martial may direct. *See* R.C.M. 1003.

*"f. Sample specifications*

In that \_\_\_\_\_ (personal jurisdiction data), did (at/on board—location), on or about \_\_\_\_\_, 19\_\_\_\_, with intent or reason to believe it would be used to the injury of the United States or to the advantage of \_\_\_\_\_, a foreign nation, (attempt to) (communicate) (deliver) (transmit) \_\_\_\_\_ (description of item), (a document) (a writing) (a code book) (a signal book) (a sketch) (a photograph) (a photographic negative) (a blueprint) (a plan) (a map) (a model) (a note) (an instrument) (an appliance) (information) relating to the national defense, [which directly concerned (nuclear weaponry) (military spacecraft) (military satellites) (early warning systems) (\_\_\_\_\_, a means of defense or retaliation against a large scale attack) (war plans) (communications intelligence) (cryptographic information) (\_\_\_\_\_, a major weapons system) (\_\_\_\_\_, a major element of defense strategy)] to \_\_\_\_\_ [(a representative of) (an officer of) (an agent of) (an employee of) (a subject of) (a citizen of)] [(a foreign government) (a faction within a foreign country) (a party within a foreign country) (a military force within a foreign country) (a naval force within a foreign country)] (indirectly by \_\_\_\_\_]."

c. Part IV is amended by adding the following new sentence at the end of paragraph 105e:

"However, any person subject to the code who is found guilty of soliciting or advising another person to commit the offense of aiding the enemy, spying, or espionage (Articles 104, 106, or 106a) shall be subject to any punishment, other than death, that a court-martial may direct."

*Sec. 4.* Part V of the Manual for Courts-Martial, United States, 1984, is amended as follows:



a. The text of paragraph 2 is amended by inserting the following new paragraph at the beginning thereof:

"The following persons may serve as a nonjudicial punishment authority for the purposes of administering nonjudicial punishment proceedings under this Part:"

b. Paragraph 4a is amended by striking out "commander" each time it appears and inserting in lieu thereof "nonjudicial punishment authority".

c. Paragraph 4b(2) is amended by striking out "commander" and inserting in lieu thereof "nonjudicial punishment authority".

d. Paragraph 4c(1) is amended by—

(1) striking out "commander—or the commander's delegee (*see* paragraph 2c of this Part)—who offered nonjudicial punishment" and inserting in lieu thereof "nonjudicial punishment authority"; and

(2) striking out "commander" the second, third, and fourth time it appears in the first sentence and in subparagraphs (B), (D), and (G), and inserting in lieu thereof "nonjudicial punishment authority".

e. Paragraph 4c(2) is amended to read as follows:

"(2) *Personal appearance waived; procedure.* Subject to the approval of the nonjudicial punishment authority, the servicemember may request not to appear personally under subparagraph 4c(1) of this Part. If such request is granted, the servicemember may submit written matters for consideration by the nonjudicial punishment authority before such authority's decision under subparagraph 4c(4) of this Part. The servicemember shall be informed of the right to remain silent and that matters submitted may be used against the member in a trial by court-martial."

f. Paragraph 4c(4) is amended by—

(1) striking out "*Commander's decision*" and inserting in lieu thereof "*Decision*"; and

(2) striking out "commander" each time it appears and inserting in lieu thereof "nonjudicial punishment authority".

g. Paragraph 5(b) is amended by striking out "by the following commanders".

h. The introductory clause of paragraph 5b(1)(B) is amended to read as follows:

"(B) If imposed by an officer exercising general court-martial jurisdiction, an officer

of general or flag rank in command, or a principal assistant as defined in paragraph 2c of this Part—"

i. Paragraph 5b(2)(A) is amended by striking out "commander" and inserting in lieu thereof "nonjudicial punishment authority".

j. The introductory clause of paragraph 5b(2)(B) is amended by inserting "or a principal assistant to such a commanding officer as defined in paragraph 2c of this Part" after "above".

k. Paragraph 5c(2) is amended by striking out "commander imposing this form of punishment" and inserting in lieu thereof "nonjudicial punishment authority".

l. Paragraph 6a is amended by striking out "commander" and inserting in lieu thereof "nonjudicial punishment authority who imposes nonjudicial punishment, the commander".

m. Paragraph 6a(4) is amended by inserting "nonjudicial punishment authority or" after "A suspension may be vacated by any" in the first sentence.

n. Paragraph 6b is amended by—

(1) striking out "commander" in the third sentence and inserting in lieu thereof "nonjudicial punishment authority who imposed nonjudicial punishment, the commander,"; and

(2) striking out "commander" in the fourth sentence and inserting in lieu thereof "nonjudicial punishment authority who imposes nonjudicial punishment, the commander who imposes nonjudicial punishment, or a successor in command".

o. Paragraph 6c is amended by striking out "commander" in the second sentence and inserting in lieu thereof "nonjudicial punishment authority who imposes nonjudicial punishment, the commander".

p. Paragraph 6d is amended by striking out "commander who imposes nonjudicial punishment" in the second sentence and inserting in lieu thereof "nonjudicial punishment authority who imposes nonjudicial punishment, the commander who imposes nonjudicial punishment,".

q. Paragraph 7f(3) is amended by inserting "the commander," after "the officer who imposed the nonjudicial punishment,".

Sec. 5. The amendments to Mil.R.Evid. 704, which were implemented on 10 April

1985 pursuant to Mil.R.Evid. 1102, are hereby rescinded; *Provided*, That this rescission shall not apply in the trial of any case in which arraignment occurred while such amendments were in effect.

*Sec. 6.* These amendments shall take effect on March 1, 1986, with respect to all court-martial processes taken on and after that date; *Provided*, That nothing contained in these amendments shall be construed to invalidate any nonjudicial punishment proceeding, restraint, investigation, referral of charges, trial in which arraignment occurred, or other action begun prior to that date, and any such restraint, investigation, referral of charges, trial, or other action may proceed in the same manner and with the same effect as if these amendments had not been prescribed; *Provided further*, That the amendments made in Rule for Court-Martial 1004(c) shall apply in the trial of offenses committed on or after March 1, 1986; *Provided further*, That nothing contained in these amendments shall be construed to invalidate any capital sentencing proceeding conducted prior to March 1, 1986, and any such proceeding shall be completed and reviewed in the same manner and with the same effect as if these amendments had not been prescribed; *Provided further*, That amendments to Rule for

Court-Martial 707(a) shall not apply to any condition on liberty imposed before March 1, 1986, and the effect of such a condition on liberty shall be considered under Rule for Court-Martial 707(a) as it existed before March 1, 1986; *Provided further*, That the amendments made in paragraph 16 of Part IV shall apply in trials of offenses committed on or after March 1, 1986; *Provided further*, That the amendments made in paragraph 30a of Part IV shall apply in the trials of offenses committed under Article 106a on or after March 1, 1986; *And provided further*, That the amendments made in paragraph 30a of Part IV authorizing capital punishment shall apply with respect to offenses under Article 106a committed on or after March 1, 1986.

*Sec. 7.* The Secretary of Defense, on behalf of the President, shall transmit a copy of this Order to the Congress of the United States in accord with Section 836 of Title 10 of the United States Code.

RONALD REAGAN

The White House,  
February 19, 1986.

[Filed with the Office of the Federal Register, 4:26 p.m., February 19, 1986]

## Remarks at a White House Meeting With Members of the Business Council

February 19, 1986

Roger Smith, Ruben Mettler, and ladies and gentlemen, good afternoon and welcome to the White House. It's an honor to be able to greet you here today, and permit me to say, it's about time we managed to get together. When I found out you'd met with every President from Johnson to Carter, I had a feeling that the list had stopped kind of short. [Laughter] Before I say anything else, let me congratulate one of your members, someone who in recent days has lived up to the very highest ideals of corporate responsibility and grace under pressure. Jim Burke of Johnson & Johnson,

you have our deepest admiration.

Now, tomorrow I'm going to Grenada to see firsthand how freedom is working down in that country. I know that some of you've been there and have seen the many incentives for opening a business in that free and independent society. Many incentives for American business now exist in Grenada and elsewhere in the region thanks to the Caribbean Basin Initiative. The climate has become brighter for American business in that region. It's encouraging to witness what can happen in an environment where free enterprise is allowed to flourish. And

this is particularly significant when we know that lands close to Grenada do not have these same opportunities. Through innovative private sector initiatives, the Grenadian people will be better able to determine their future and to improve the quality of their life.

Now, I know you're eager to hear where we stand on Gramm-Rudman-Hollings. But in order to illuminate the battles of the moment, let me first review our record. As men and women steeped in the practice of business, you no doubt remember in detail what the economy was like when we took office: inflation in double digits, growth at a virtual standstill, interest rates soaring—indeed, the month that we took office, interest rates lofted up to their highest level since the Civil War.

We came to Washington prepared to do combat to put the economy to rights. And we came armed with one crucial insight: A democratic government, indeed any government, is powerless to ordain economic growth or decree technological innovation. But this much a government can do: It can reward or punish specific economic activities. High tax rates represent punishment. Burdensome regulations represent punishment. But cutting taxes and eliminating needless regulations constitute rewards.

And you'll recall, for example, that one of our first acts upon taking office was to decontrol the price of oil. That action raised the price for oil received by domestic producers, which in turn set off efforts to produce still more oil. Geologists soon discovered new fields; and as a crucial byproduct of their search for oil, they also discovered new deposits of natural gas. And eventually energy prices fell, placing pressure on the OPEC cartel. The dramatic drop in the price of oil that we see today is in part a consequence of that simple act of decontrol. And while the new, lower oil prices will force some to make difficult adjustments, on balance they represent a tremendous economic boon. All America and virtually the entire Western World would now be able to divert resources from energy to other goods and services, cutting production costs throughout the world. To paraphrase Shakespeare—should I risk this one?—"Oil's well that ends well." [Laugh-

ter] I ought to be ashamed of myself. [Laughter]

From the decontrol of oil we went on to apply powerful, new incentives to the entire economy, and we helped to hold down the cost of doing business by cutting the growth of government regulations. We supported a sound monetary policy, helping to bring to an end the constant uncertainty about monetary policy that had been caused, again, by erratic and imprudent uses of government power. And we cut taxes, providing business with investment incentives, spurring the accumulation of venture capital by cutting the top rate on capital gains from 28 to 20 percent, and enacting an across-the-board personal income tax rate cut of nearly 25 percent.

And the results: 38 months of economic growth so far; the creation of nearly 10 million new jobs—9.8 million to be exact—and the highest proportion of our civilian population employed at any time in our history. New technologies are being produced in an endlessly rich profusion—robotics, home computers, satellite communications. Basic industries have undergone a renaissance. Roger Smith and Phil Caldwell can tell you, for example, how the automobile industry has come back from the edge of the grave to a dazzling, new competitiveness and creativity. And it's been a long time since anybody looked down his nose and used the term Reaganomics. I knew it was succeeding the minute they stopped calling it that. [Laughter]

Well, this, then, is the record. Things used to be very much worse; now they're very much better. The key was getting government out of the way, and as we turn to the future that remains the key, still. I can never forget the many times that I've said, and still believe, that the nearest thing to eternal life that we'll ever see on this Earth is a government program. They stick around long after the need for them is gone. And we're trying to do something about that.

As we turn to the future—this remains—getting government out of the way remains the key still, as I say. And on tax reform, we intend to lower corporate rates and allow most individuals to keep more of their own

earnings. Yes, it's likely that this might involve shifting some of the tax burden from individuals to corporations. But with our commitment to revenue neutrality, the question is how the current tax burden can best be distributed to promote economic growth. The answer, I'm convinced, involves economic incentives for all—and especially lower marginal rates. And that's why for individuals we intend to cut the top individual rate all the way down to 35 percent—half of what it was when we took office. Business will benefit in turn as these lower rates lead the economy to new prosperity. And let me assure you, as tax reform works its way through the Senate, we intend to make certain that it avoids increases in the cost of capital. Just as we had to do combat to cut taxes in our first term, the battle for second-term tax reform will be long and hard. I was going to ask if I could count on your help, and I'm just going to assume that I can.

And the other crucial challenge facing us now is the need to limit government spending. I say government spending, not the Federal deficit itself, and in doing so I choose my words purposefully. The more the Government spends, the more resources it takes from the private sector. And other things being equal, the fewer the resources available to the private sector, the higher will be the real rate of interest and, in turn, the lower the rate of economic growth. The price competitiveness of our goods on world markets will also suffer, as I'm sure Clayton Yeutter will mention. Whether the Government obtains its funds through taxation or borrowing is, at the most basic level of analysis, irrelevant.

Yes, an accountant looking at the books would say we could eliminate the deficit by raising taxes. But a tax hike would do nothing about the root problem of government expansion—of government extending its deadening hand to more and more of the economic life of our nation. On the contrary, a tax hike would make the root problem worse and undermine the economic growth we've already worked so hard to achieve. My friends, I just have to believe that we've come too far to go back—back to the old days of tax and spend. It's time to cut the Federal budget, not the family

budget.

And now for Gramm-Rudman-Hollings. The law has its faults, but it represents the most serious effort in decades to come to grips with Federal spending. As you know, 2 weeks ago a three-judge panel of the U.S. District Court for the District of Columbia upheld the validity of Gramm-Rudman-Hollings but found the sequester mechanism of the law unconstitutional. Well, this decision does not invalidate Gramm-Rudman-Hollings nor does it diminish the determination of this administration or the responsibility of the Congress to meet the Gramm-Rudman-Hollings targets for deficit reduction. If the Supreme Court affirms this district court decision, there is a valid fallback provision already in the bill which would come into effect. And it would remain the duty of the Congress to legislate the \$11.7 billion budget cut already agreed upon for the fiscal year 1986 sequestration.

Regardless of the outcome in the courts, I will go on until the day I leave this office to submit budgets that steadily reduce the Federal deficit. Indeed, the budget we submitted 2 weeks ago meets the Gramm-Rudman-Hollings targets all the way through 1991. It does so in a manner that preserves programs for the truly needy, it keeps our defenses strong, and it avoids any tax hike. It's a budget we intend to stand by, and I urge you to help us get it passed. Our administration and Congress made a promise to the American people. I think we should live up to it.

Think back to the 1950's and the early 1960's—back to the limited government, reliable currencies, sound monetary policy, and economic growth they helped to promote. In many regards, we can take that period as a model. For we intend to achieve not just a burst of economic growth, but sustained and solid economic growth—an era of good times and prosperity. That's going to be our target—has been from the time we came here. New technologies are in place. The growth of past months has shown that the American people themselves are ready—hard-working, innovative, filled with the kind of confidence and high hopes that our republic has justified in its citizens again and again. We need only

reassert the best in our own tradition—the primacy of private initiatives and the importance of limited government. And the battlefield is Washington, and isn't it worth the fight? I think it is.

You know, I've often likened some of the doings of government, no matter how well intentioned they are, as to the little town that wanted to raise its traffic signs from 5 feet high to 7 feet high, thinking it'd be more visible for the motorists coming along. And then the story has it that the Federal Government told them that they had a Federal program that would take care of that—they'd lower the streets 2 feet. [Laughter]

Well, we're going to keep on trying to change things for you, and hope that you'll go along with us. Thank you all very much, and God bless you for being here.

*Note: The President spoke at 3 p.m. in the East Room at the White House. In his remarks, the President referred to Roger Smith, vice chairman of the council and chairman of General Motors Corp.; Ruben Mettler, chairman of the council and chairman of TRW; James E. Burke, chairman of the board of Johnson & Johnson; and Philip Caldwell, former chairman of the Ford Motor Co. Clayton Yeutter, U.S. Trade Representative, also addressed the council.*

## Remarks to Citizens in St. George's, Grenada February 20, 1986

Thank you very much, Prime Minister Blaize, Governor-General Scoon, distinguished Prime Ministers, and my dear Grenadian friends. I bring you the good will and affection of the people of the United States. It is my honor to be on this platform with these Caribbean leaders. We stand before you as friends who share a fundamental belief in democracy. Our commitment to humane and representative government is stronger than any tyrant's chains. And I'm certain that my colleagues approve when I say to you, we are grateful to God, today, that Grenada is once again safely within the ranks of free nations.

There is a freedom tide rising in our hemisphere. Your Prime Minister and these other elected leaders are testimony that the spirit of democracy is assuming its rightful role as the great unifier of the people. Democracy is based on respect for the rights and dignity of every person, whatever his or her station in life. In the last century, a champion of Grenadian independence, William Galway Donovan, put it well when he wrote, "A naked freedman is a nobler object than a gorgeous slave."

Now, in a sense, and I mean this in a kind of geographical sense, we are in a way all Americans in this hemisphere—from the

North Slope of Alaska to the tip of South America, these are known as the Americas—and it's our birthright to live in freedom. It is our heritage. In this quest we stand together, and we shall always stand together. Just in the last 5 years, Brazil, Argentina, Guatemala, Honduras, Bolivia, Uruguay, El Salvador, and, yes, Grenada have returned to democracy. Today 27 of 33 independent countries, countries with 90 percent of this hemisphere's population, are democratic or in transition to democracy. And we won't be satisfied until all the people of the Americas have joined us in the warm sunshine of liberty and justice.

In free societies, government exists for the sake of the people, not the other way around. Government is not directed by the whims of any dictator or the mandate of any clique but by the good sense of the people through a democratic vote. In free societies, people do not live in fear. They never worry that criticizing the government will lead to a late knock on the door, an arrest by some goon squad. When people are free, their rights to speak and to pray are protected by law. And the goons are not running the jails; they're in the jails. In a free society, neighbors don't spy on neighbors; neighbors help neighbors. And that's

the way God meant it to be.

As we rejoice in your new, renewed freedom, let us not forget that there are still those who will do everything in their power to impose Communist dictatorship on the rest of us. Castro's tyranny still weighs heavy on the shoulders of his people and threatens the peace and freedom of this hemisphere. Doing the bidding of his far-away master, he has shipped Cuba's young men by the thousands to fight and die in faraway lands. When one recalls the tons of military equipment that were captured here, we can thank God things were changed before young Grenadians, too, were sent off to fight and die for an allied [alien] ideology.

From the first days of my Presidency, I was aware of the growing trouble here in Grenada. We were worried about you and what appeared to be an attempt to turn your island into a staging area for subversion and aggression. I can still remember being awakened early in the morning and told that six members of the Organization of Eastern Caribbean States, joined by Jamaica and Barbados, had sent an urgent request that we join them in an effort to protect lives and to restore order and democracy to your country. There were some 800 students from the United States whose lives were in danger. And there were more than 90,000 of you—Grenadians, friends, and neighbors—who were living in fear of never again regaining your freedom. Well, ladies and gentlemen, my dear friends, I will never be sorry that I made the decision to help you, and I made it before the Sun came up.

There is a story, perhaps it's a legend, that in 1933 a group of young boys were in a swimming race across your harbor. And in the midst of the race, according to the story, to the horror of the crowd that watched, a shark appeared and surfaced directly under one young swimmer. For a few terrorizing minutes, the boy was carried on the back of the shark until the shark hit a wharf, and the boy was knocked to safety and pulled out of the water by his friends and neighbors. Well, dear people of Grenada, for a time it appeared that you were like that boy riding on the back of a shark. Your friends held their breath hoping and

praying for you. And it was our honor to help you get off the shark. And we're—all of us up here—we're just glad we got here before it was time for his supper.

Today in Nicaragua we see a chain of events similar to what happened here. We hear the same excuses made for the Communists, while the people of Nicaragua sell [see] their freedom slowly but surely eaten away. Edmund Burke, a British parliamentarian who championed the cause of American independence, once wrote, "When bad men combine, the good must associate; else they will fall one by one . . . ." Well, those words still ring true. That's why we came to your aid. And that is why the United States must help those struggling for freedom in Nicaragua. In the cause of liberty, all free people are part of the same family. We should stand together as brothers and sisters. And if we do, the Nicaraguan people will be able to free themselves from Communist tyranny and win the liberty that you now enjoy in Grenada.

There are those, of course, who claim we must give up freedom in exchange for economic progress. Well, pardon me, but anyone trying to sell you that line is no better than a three-card-trick man. One thing becoming more clear every day is that freedom and progress go hand in hand. Throughout the developing world, people are rejecting socialism because they see that it doesn't empower people, it impoverishes them. In Cuba, Castro has turned a once thriving economy into a basket case. Lately, he's taken to haranguing his people, blaming them for the failures of his dictatorship.

I think it's time that we, the United States and the Caribbean nations working together, showed Castro and his gang how it's done. The foundation is already being laid. I had a conversation with Prime Minister Blaize a few months ago, and he asked if it were possible for the United States to extend more scholarships to Caribbean students. Well, Prime Minister Blaize, I'm proud to announce today that over this year and the next two, we will roughly triple the funding for our training and education programs for the Caribbean. Our goal is to train 1,500 students from these islands each year. And when these young people finish

their education and training, we want to make certain that a growing, healthy economy is ready for them. Two years ago, we put in place the Caribbean Basin Initiative, aimed at spurring growth and investment in the Caribbean. The progress resulting from our efforts has been slow but steady. But nothing good happens fast. It takes patience. It takes work on everyone's part.

Prime Minister Seaga [of Jamaica] has urged expanding the provisions of the CBI to permit greater access for Caribbean textiles in the U.S. market. This, he has said, would be a giant step for job creation throughout the Caribbean. Well, I'm proud to announce today a special program that will guarantee access to the U.S. market for Caribbean-produced clothing made from cloth woven and cut in the United States. This will be good for the U.S. textile industry, but it will mean jobs for the people of the Caribbean.

And there's something else brewing that will be a big boost to the people of the Caribbean. Our Congress is considering a change in the tax code to permit funds in Puerto Rico's Development Bank to be used for investment loans elsewhere in the Caribbean. This proposal, worked out with Governor Hernandez Colon of Puerto Rico, has my endorsement and bipartisan support in our Congress. The Governor has spearheaded a drive to persuade United States firms in Puerto Rico to invest in plants in other parts of the Caribbean. And he is committed to the ambitious goal of \$100 million in new investment into Caribbean Basin countries each year. Now, three major U.S. firms have already announced plans to place projects here in Grenada, and other projects are moving forward elsewhere in the Caribbean. The tax provisions being considered by Congress are tied to the success of this investment program. We applaud Puerto Rico's contribution and urge congressional approval.

Finally, I would like to announce that the United States will be undertaking, in conjunction with Caribbean governments, a 5-year, \$5.5 million program to help support the free and independent judicial systems of the Caribbean islands—recognized around the world as a pillar of your democratic traditions.

I'd like to take a moment to commend some people who are doing a terrific job in fostering the spirit of freedom and opportunity that I've been talking about—our Peace Corps volunteers and our Agency for International Development personnel. AID has been working on everything from repairing your roads and water system to finishing up your new airport. Now, of course, it will be used to bring tourists and businessmen, instead of bombers and spy planes. Tourists are nicer, and they're a lot more fun.

The good will between our peoples can also be seen in the many private sector initiatives started here since the liberation. Having been in the film business, I am excited that the Discovery Foundation has provided the equipment and helped you set up a new television station. I—thinking back to my past, I may have a few old movies around. Do you think anyone around here would like to see them? *[Laughter]* There are many wonderful people-to-people projects that we could talk about. One of the most heartwarming is Project HOPE. The vast majority of those serving are volunteers, professionals who work hard at their regular jobs and then, in their time off, donate medical- and health-related services to you—truly out of the goodness of their hearts. These and other volunteers in the Caribbean make all of us back home very proud.

And a word of advice for my good friends. Whether the CBI succeeds and the economies of the Caribbean nations prosper depends as much on what you do as on what we do. High taxes, overregulation, artificially high exchange rates, and bureaucratic red tape kill enterprise and hope for the future. And I know that your Prime Minister feels the same way. There is much that should be done in these areas by Caribbean countries to put their economic house in order. Needless to say, what you do to reform your systems and to create the environment for jobs and progress is up to you. That's the democratic challenge. But remember, whatever you do, the people of the United States are on your side. We want you to succeed and to prosper. Personally, after talking with these leaders and meeting

you today, I am optimistic. What problems you have can and will be solved. In the not too distant future, I see businessmen flocking to the Caribbean. When they do, they will find a bounty of opportunity. They'll find honest, hard-working people, happy and warm people. And they will find democratic government. That has to be a formula for good times.

And as I look around today, I know that St. George's has been a location for many a "jump up." And believe me, I will remember this one. I also know that Queen's Park was the location of a command post during the liberation 2½ years ago. The people of the United States sent our young men, our courageous soldiers, sailors, marines, and airmen, to protect our own and to save a neighbor in distress. Nineteen of our sons died here; many were wounded. Our brave lads risked all because they believed in those ideals that we've spoken about today: justice, freedom, and opportunity. Let us

pledge that their sacrifice was not made in vain. Let us recapture the joyous spirit of liberty that is truly the dream of all the Americans and spend it throughout this hemisphere—spread it, I should say, not spend it. That is what our fallen heroes would have wanted.

I can't tell you how moved I have been, from the first of you who waved a greeting to me since we've been here and now those of you who we see here. I couldn't feel closer to anyone at this moment than I do to you. And I'm going to take the message back to those Americans back home who aren't here and tell them where we've got an awful lot of good friends. Thank you all, and God bless you. Thank you.

*Note: The President spoke at 4:55 p.m. at Queen's Park. He was introduced by Prime Minister Herbert Blaize. Following his remarks, the President returned to Washington, DC.*

## Nomination of Ronald S. Lauder To Be United States Ambassador to Austria

*February 21, 1986*

The President today announced his intention to nominate Ronald S. Lauder, of New York, as Ambassador to the Republic of Austria. He would succeed Helene A. von Damm.

Since 1983 Mr. Lauder has been Deputy Assistant Secretary of Defense for Europe and NATO Policy. Prior to that time he was chairman, Estee Lauder International, 1982–1983; and held various managerial positions to executive vice president of Estee

Lauder, Inc., in New York City, 1968–1983.

Mr. Lauder received his B.S. in 1965 from the University of Pennsylvania. He received a degree in French literature in 1964 from the University of Paris, Sorbonne, and attended the University of Brussels in 1966. He served in the United States Coast Guard Reserve, 1966–1974. His foreign languages are French and German. Mr. Lauder is married to the former Jo Carole Knopf, and they have two children.

## Nomination of David B. Waller To Be an Assistant Secretary of Energy

*February 21, 1986*

The President today announced his intention to nominate David B. Waller to be an

Assistant Secretary of Energy for International Affairs and Energy Emergencies.



Since 1982 Mr. Waller has been Senior Associate Counsel to the President, the White House. He was Associate Counsel in 1981–1982. From 1978 to 1981, he was an attorney with the Washington, DC, firm of Hogan & Hartson. From 1974 to 1978, he was a trial attorney with the Department of

Justice, Civil Division, in Washington, DC.

Mr. Waller graduated from Denison University (B.A., 1970) and the University of Tulsa, College of Law (J.D., 1973), where he was editor of the Law Review. He currently resides in Washington, DC. He was born September 13, 1948, in Decatur, IL.

## **Nomination of William F. Martin To Be Deputy Secretary of Energy *February 21, 1986***

The President today announced his intention to nominate William F. Martin to be Deputy Secretary of Energy. He would succeed Danny J. Boggs.

Mr. Martin joined the National Security Council (NSC) staff at the White House in 1982 and currently serves as Executive Secretary of the National Security Council and Special Assistant to the President for National Security Affairs. Prior to his present duties, he served in the NSC as Director of International Economic Affairs responsible for international energy matters, Deputy Executive Secretary, and Senior Director of Coordination. From 1981 to 1982, Mr. Martin served in the Department of State as Special Assistant to the Under Secretary for Economic Affairs. In this capacity he was responsible for international energy policy and East-West economic relations.

Mr. Martin served in the International Energy Agency (IEA) in Paris, France, in 1977–1981. Initially he was responsible for energy studies of OPEC and developing nations. In 1979–1981 he was Special Assistant to the Executive Director of IEA. In this capacity he was responsible for the overall coordination of five IEA Ministerial meetings. In 1974–1977 Mr. Martin was program officer of the Workshop on Alternative Energy Strategies based at the Massachusetts Institute of Technology Energy Laboratory.

Mr. Martin graduated from the Wharton School of the University of Pennsylvania (B.S., 1972) and the Massachusetts Institute of Technology (M.S., 1974). He is married to the former Jill Wheaton, and they have two sons, Nicholas and Christopher. He was born October 4, 1950, in Tulsa, OK.

## **Nomination of Charles J. Chamberlain To Be a Member of the Railroad Retirement Board**

*February 21, 1986*

The President today announced his intention to nominate Charles J. Chamberlain to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1984. This is a reappointment.

Mr. Chamberlain has been serving as a member of the Railroad Retirement Board since 1977. Previously he served as president of the Brotherhood of Railroad Signalmen. Mr. Chamberlain served on the High

Speed Ground Transportation Advisory Committee in 1973–1975, on the Railroad Safety Research Board in 1975, and on the Railroad Industry Labor-Management Committee in 1972, and he was chairman of the Railway Labor Executives' Association in 1970.

Mr. Chamberlain is married, has two children, and resides in Crystal Lake, IL. He was born August 7, 1921, in Ashton, IL.

## **Appointment of Peter J. Wallison as Counsel to the President *February 21, 1986***

The President today announced his intention to appoint Peter J. Wallison to be Counsel to the President. He would succeed Fred F. Fielding.

Since 1985 Mr. Wallison has been a partner with the law firm of Gibson, Dunn & Crutcher in Washington, DC. From 1981 to 1985, he served as General Counsel of the Department of the Treasury. He was a partner with the law firm of Rogers & Wells from 1977 to 1981. From 1974 to 1976, he served as Counsel to Vice President Nelson Rockefeller, and from 1972 to 1974, he

served as special assistant to Gov. Nelson Rockefeller of New York. In 1966–1972 he was an associate with the firm of Rogers & Wells in New York, NY. From 1969 to 1970, he also served as a senior staff associate for the President's Advisory Council on Executive Organization.

Mr. Wallison graduated from Harvard College (B.A., 1963) and Harvard Law School (LL.B., 1966). He is married, has three children, and resides in Bethesda, MD. He was born June 6, 1941, in New York, NY.

## **Executive Order 12551—The President's Export Council *February 21, 1986***

By the authority vested in me as President by the Constitution and statutes of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), and in order to expand the membership of the President's Export Council, it is hereby ordered that Section 1–102(b) of Executive Order No. 12131 of May 4, 1979, is amended to read as follows:

“(b) Five members of the United States Senate, designated by the President of the

Senate, and five members of the United States House of Representatives, designated by the Speaker of the House, to serve for a two-year term.”

RONALD REAGAN

The White House,  
February 21, 1986.

*[Filed with the Office of the Federal Register, 10:22 a.m., February 24, 1986]*

## **Nomination of Evan Griffith Galbraith To Be a Member of the Board of Directors of the Overseas Private Investment Corporation *February 21, 1986***

The President today announced his intention to nominate Evan Griffith Galbraith to be a member of the Board of Directors of the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency, for a term expiring December 17, 1987. This is a new position.

Mr. Galbraith was the United States Ambassador to France in 1981–1985. Previous-

ly, he was managing director of Dillon, Read & Co.; chairman of Dillon Read Overseas Co. in London in 1975–1980; managing director and chairman of Bankers Trust International in London in 1969–1975; an independent financial consultant in New York City in 1969; vice president of Morgan Guaranty Trust Co. in 1968–1969; and administrator and director of Morgan and Cie,

Paris, France, in 1963–1968.

He graduated from Yale University (B.A., 1950) and Harvard Law School (LL.B.,

1953). He is married, has four children, and resides in Greenwich, CT. He was born June 2, 1928, in Toledo, OH.

## **Appointment of George J. Adams as a Delegate to the National White House Conference on Small Business**

*February 21, 1986*

The President today announced his intention to appoint George J. Adams to be a delegate to the National White House Conference on Small Business. This is a new position.

Mr. Adams is president of Mobility Systems and Equipment Co. in Los Angeles,

CA. He founded this company in 1970. Previously he was a professional engineer.

He graduated from Northland College (B.S., 1959) and Cleary College (M.A., 1961). He has four children and resides in Los Angeles, CA. He was born November 23, 1925, in Havana, Cuba.

## **Appointment of Six Members of the Commission for the Preservation of America's Heritage Abroad**

*February 21, 1986*

The President today announced his intention to appoint the following individuals to be members of the Commission for the Preservation of America's Heritage Abroad for terms of 3 years. They are all new positions.

*Dalia Debenis Bobelis* is active on the board of various civic and cultural groups, including serving as a director of the Lithuanian/American Relief Fund and as a trustee of the Lithuanian Evangelical Reform Church. She is married, has five children, and resides in St. Petersburg, FL. She was born August 4, 1932, in Lithuania.

*Kenneth M. Duberstein* is vice president of Timmons & Co. in Washington, DC. Previously he served at the White House as Assistant to the President for Legislative Affairs. He is married, has two children, and resides in Alexandria, VA. He was born April 21, 1944, in Brooklyn, NY.

*Alma Lee Gildenhorn* is active in civic and cultural affairs, including serving as cochairman of the Washington Committee, Kennedy Center's Capital Fund/Endowment Campaign, and as a member of the Planning Committee for the

Endowment of the National Cultural Center. She is married, has two children, and resides in Bethesda, MD. She was born January 14, 1932, in Baltimore, MD.

*Zvi Kestenbaum* is executive director of the Opportunity Development Association in Brooklyn, NY. Previously he was a partner in the firm of Kestenbaum and Hoffman. He is married, has seven children, and resides in Brooklyn, NY. He was born November 4, 1922, in Ujsherto, Hungary.

A. *Morgan Mason* is president of the Mason Organization in Los Angeles, CA. Previously he served as president of the public affairs division of Rogers & Cowan, Inc., in Los Angeles, CA. Mr. Mason served at the White House as Special Assistant to the President for Political Affairs in 1981–1982. Previously he was Deputy Chief of Protocol at the State Department. He was born June 26, 1955, in Los Angeles, CA, where he now resides.

*Judy Baar Topinka* is a member of the Illinois State Senate. Previously she served two terms in the Illinois House of Representatives for the 43d and 7th Districts. She was formerly in the public relations business. She has one child and resides in Riverside, IL. She was born January 16, 1944, in Chicago, IL.

## Appointment of Roger E. Birk as United States National Chairman for the 1986 United Nations Day

February 21, 1986

The President today announced his intention to appoint Roger E. Birk to be United States National Chairman for the 1986 United Nations Day. He will succeed Peter H. Dailey.

Mr. Birk is chairman emeritus of Merrill Lynch & Co. He has served on the Presi-

dent's Commission on Executive Exchange and the President's Private Sector Survey on Cost Control.

Mr. Birk graduated from St. John's University (B.A., 1952). He is married, has four children, and resides in Red Bank, NJ. He was born July 14, 1930, in St. Cloud, MN.

## Proclamation 5442—National Hemophilia Month, 1986

February 21, 1986

*By the President of the United States of America*

### *A Proclamation*

Hemophilia is a genetic disease in which the blood will not clot properly because a specific clotting factor is missing or defective. It is almost exclusively a male disease, affecting one of every four thousand live male births, regardless of race, nationality, or family economic status.

Significant advances have been made in the diagnosis and treatment of hemophilia. Methods of early diagnosis provide the means to institute preventive measures at an early age. Modern blood fractionation technology provides a moderately priced, readily available supply of the needed clotting component for those who must have regular infusions. Still, hemophiliacs face a life of unpredictable medical complications that may result in disability or death.

Proper medical treatment for the hemophiliac, and public awareness and acceptance of this medical condition, will allow the individual to live a normal, productive, and independent life and will dispel many of the common misconceptions of the disease.

To stimulate public awareness about hemophilia and to encourage the develop-

ment of improved techniques of diagnosis and treatment, the Congress, by Senate Joint Resolution 150, has designated the month of March 1986 as "National Hemophilia Month" and authorized and requested the President to issue a proclamation in observance of this period.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of March 1986 as National Hemophilia Month. I invite the Governors of each State, the Commonwealth of Puerto Rico, the officials of other areas subject to the jurisdiction of the United States, and the American people to join me in reaffirming our commitment to finding better ways of helping those afflicted with hemophilia.

In Witness Whereof, I have hereunto set my hand this twenty-first day of February, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:21 a.m., February 24, 1986]

Note: The proclamation was released by the Office of the Press Secretary on February 22.

## Radio Address to the Nation on Grenada and Nicaragua February 22, 1986

### *My fellow Americans:*

Two days ago I visited with some wonderful neighbors of ours, the people who live on the island of Grenada in the Caribbean. I wish every American could've seen the joy in their faces. I couldn't help remembering that just a short time ago they were living in fear of forever losing their freedom.

For years, trouble had been brewing in Grenada. Power was seized by a radical group with close ties to the Communist world. They kept insisting that they had no intention of stamping out their people's fundamental rights—the right to speak or to worship God; no intention of imposing a so-called dictatorship of the proletariat. We were told that those holding power in Grenada were simply idealists charting a new and better course for the future. All of this was part of a Communist pattern of deception that has been repeated so many times in so many places. This time, however, tons of captured documents exposed these lies. Today, for example, we know that no one had to push the clique that seized power in Grenada into the arms of the Soviet Union and Cuba. From the very start, they aligned themselves with the international Communist movement and, once in power, moved quickly to undermine the freedom of the Grenadian people.

Their plan almost worked, but then some who were in on the scheme balked when the heavy hand of repression was about to come down. The brutal killings that followed were similar to the fratricidal bloodletting among Marxist-Leninists in Afghanistan, South Yemen, and even among the Salvadoran guerrillas. Sadly, in Grenada, just like elsewhere, many innocent people were also victims.

I vividly remember that morning when I was awakened in the early hours and told that we'd received an urgent call for help from the Organization of Eastern Caribbean States along with Jamaica and Barbados. These neighboring democracies asked us to join them in restoring order and freedom to

Grenada. There were some 800 American students and about 200 other American citizens on the island. All were in peril. So, on October 25th American military units began Operation Urgent Fury. Within a short time our citizens were safe, and the people of Grenada had been liberated from the grip of tyranny. Some of our young medical students kissed the ground when they got back home, and our servicemen were hailed as saviors by the local population in Grenada.

The Communists didn't succeed in Grenada, yet a similar chain of events had been happening in Nicaragua. We hear the same old lies, while the Nicaraguan people see their freedom being stolen away. The Communists have suppressed free speech and free press. Nicaragua's Communist dictators have launched a systematic attack against the church, its priests and bishops. And government-instigated mobs mocked His Holiness John Paul II. Meanwhile, the dictatorship is being armed to the teeth with Soviet military equipment. And everyone from the Soviets, Cubans, East Germans to the PLO and Qadhafi's Libyans are turning Nicaragua into a staging area for subversion and aggression against their and our neighbors.

But there's hope for the Nicaraguan people because freedom fighters are now struggling against the Communist dictatorship. Their ranks are filled with *campesinos*, small farmers who own a few acres of land. Many of them fought against past dictatorships. All they want is to be free and to live under democratic government. Helping those fighting for their own freedom in Nicaragua is both morally right and vital to our national security. If the Communists consolidate their power, their campaign of violence throughout Central America will go into high gear, bringing new dangers and sending hundreds of thousands of refugees streaming toward our 2,000-mile long southern border.

We cannot and we must not permit this to happen. We should learn the lesson of Grenada. My meeting with nine Caribbean

leaders there showed me that they certainly have. One Caribbean Prime Minister summing up the discussions said, "Sometimes we wish we were a little closer to Central America so that we could give you more support. You're on the right course in Central America," he said, "and we're begging you not to give in and allow any more Communist beachheads to be established in this hemisphere."

Nineteen American servicemen lost their lives, and many more were wounded liberating Grenada. If we have the courage to

do what is necessary now, helping those who are struggling to bring freedom to their country, the Nicaraguan people will be able to liberate themselves. They don't want our troops, just our aid. The people of Grenada know that doing nothing is the worst alternative. Let's make certain we all live up to our responsibility.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## **Statement by Principal Deputy Press Secretary Speakes on the Internal Situation in the Philippines**

*February 22, 1986*

President Marcos' Defense Minister, Juan Ponce Enrile, and the acting Chief of Staff of the Armed Forces, General Fidel Ramos, today announced their resignations from President Marcos' government as a result of the fraud in the recent elections. They called on him to step down because his government no longer has a popular mandate. Minister Enrile has said: "We want the will of the people to be respected. I believe that the mandate of the people does not belong to the regime." General Ramos has said: "It is my duty to see that the sovereign will of the people is respected. I am bothered by my conscience." Minister Enrile, one of President Marcos' oldest and closest political associates, further reported his personal knowledge of vote rigging and manipulation on a massive scale.

These statements strongly reinforce our concerns that the recent Presidential elections were marred by fraud, perpetuated overwhelmingly by the ruling party, so extreme as to undermine the credibility and legitimacy of the election and impair the capacity of the Government of the Philippines to cope with a growing insurgency and a troubled economy. Many authoritative voices in the Philippines have been raised in support of nonviolence. We support these voices and expect them to be respected. We also support resolution of the issues involved by all the people of the Philippines as quickly as possible. Ambassador Habib is now returning from the Philippines and will report promptly on his return.

## **Statement by Principal Deputy Press Secretary Speakes on the Internal Situation in the Philippines**

*February 23, 1986*

The American people are watching with great concern and compassion the events unfolding in the Philippines, a long-time friend and ally. The President appealed earlier today to President Marcos to avoid an

attack against other elements of the Philippine Armed Forces. Regrettably, there are now reports of an attack. An attempt to resolve this situation by force will surely result in bloodshed and casualties, further

polarize Philippine society, and cause untold damage to the relationship between our governments.

The United States provides military assistance to the Philippine Armed Forces in order to strengthen its ability to protect the security of the Philippines, particularly against the serious threat posed by a growing Communist insurgency. We cannot continue our existing military assistance if the government uses that aid against other ele-

ments of the Philippine military which enjoy substantial popular backing. The President urges in the strongest possible terms that violence be avoided as Filipinos of good will work to resolve the ongoing crisis.

*Note: Larry M. Speakes read the statement to reporters at 5:18 p.m. in the Briefing Room at the White House.*

## Statement on the Soviet-United States Nuclear and Space Arms Negotiations

*February 24, 1986*

On January 15 I welcomed the fact that the Soviet Union had put forth arms control proposals which we hoped would help to bring progress in the Geneva and other negotiations. I noted that some elements in the Soviet announcement appeared to be constructive and to build upon our proposals, which we had earlier placed on the negotiating table. Other elements, however, reflected previous Soviet positions, which present serious obstacles to progress.

We made a detailed analysis of these Soviet ideas, and we consulted closely with our friends and allies in Europe and Asia prior to responding to the Soviet Union. These consultations were excellent and made a significant impact on our own thinking. We have now completed our review and reached our decision. I have communicated this to allied leaders, and I have responded to General Secretary Gorbachev. I expressed to Mr. Gorbachev my desire to see progress in key arms control fora and in the other key areas of the U.S.-Soviet agenda: regional issues, human rights, and bilateral matters. I reiterated the U.S. position that the first steps in the nuclear arms control area should be the deep cuts in U.S. and Soviet offensive weapons which are now under negotiation in Geneva.

With respect to the concept advanced publicly by the General Secretary as his "plan" for the elimination of all nuclear

weapons by the end of the century, I am pleased that the Soviet Union appears to agree in principle with our ultimate goal of moving to the total elimination of nuclear weapons when this becomes possible. Needless to say, this must be done in a careful manner, consistent with the overall requirements for security and stability of the United States and our allies. As the means of accomplishing this, we support a process by which the U.S. and Soviet Union would take the first steps by implementing the principle of 50-percent reductions in the nuclear offensive forces of both sides, appropriately applied, and by negotiating an INF agreement. We believe that the immediate focus should remain on the prompt accomplishment of these first necessary steps. We are also pleased that the Soviet Union has indicated publicly that it now recognizes our long-held position that verification of negotiated agreements is critical. We intend to pursue in specific terms at the negotiating table General Secretary Gorbachev's public offer to resolve any necessary verification issues.

On the other hand, many of the specific details proposed in the subsequent phases of the Soviet "plan" are clearly not appropriate for consideration at this time. In our view the total elimination of nuclear weapons will require, at the same time, the correction of the conventional and other force imbalances, full compliance with existing

and future treaty obligations, peaceful resolution of regional conflicts in ways that allow free choice without outside interference, and a demonstrated commitment by the Soviet Union to peaceful competition. Unfortunately, the details of the Soviet "plan" do not address these equally vital requirements. I would like to make progress now on all of these fronts.

While we will strive for progress across the board, one area where I hope we may be able to make immediate progress is in the negotiations on Intermediate-range Nuclear Forces. Today our negotiators in Geneva have placed on the table a concrete plan calling for the elimination of U.S. Pershing II, ground-launched cruise missiles, and Soviet SS-20 missiles not only in Europe but in Asia as well, with all such missiles to be removed from the face of the Earth by the end of this decade. I call upon the leadership of the Soviet Union to study carefully the details of our new proposal in the spirit with which it has been offered

and to respond concretely at the negotiating table. I urge the Soviet Union to respond as well to the concrete and comprehensive proposals which the United States placed on the table in Geneva on November 1. These proposals covered all three areas of the NST negotiations. Our proposals on strategic nuclear arms as well as on defense and space arms unfortunately have gone unanswered.

Let me emphasize that the place to make real progress in reducing nuclear and other forces is at the confidential negotiating table. The United States is doing its part to foster in the nuclear and space talks and other negotiations the practical give-and-take process which can lead to deep arms reductions. With an equal commitment by our Soviet negotiating partners, real progress is now within our reach.

*Note: Larry M. Speakes read the President's statement to reporters at 1:19 p.m. in the Briefing Room at the White House.*

## Statement by Principal Deputy Press Secretary Speakes on the Internal Situation in the Philippines

*February 24, 1986*

We have received disturbing reports of possible attack by forces loyal to General Ver against elements of Philippine forces that have come to the support of General Ramos and Minister Enrile. We urge those contemplating such action to stop.

Marcos has pledged to refrain from initiating violence, and we appeal to him and those loyal to him and all other Filipino

people to continue to do so. Attempts to prolong the life of the present regime by violence are futile. A solution to this crisis can only be achieved through a peaceful transition to a new government.

*Note: Larry M. Speakes read the statement to reporters at 9:23 a.m. in the Briefing Room at the White House.*

## Appointment of Jean Ruley Kearns as a Member of the Board for International Food and Agricultural Development

*February 24, 1986*

The President today announced his intention to appoint Jean Ruley Kearns to be a member of the Board for International

Food and Agricultural Development for a term of 3 years. She will succeed Charles J. Marshall.



Dr. Kearns has been at the University of Arizona since 1970, where she now serves as a professor in the school of agriculture; previously, she was assistant executive vice president (1978–1982), division chairman (1975–1976), and associate professor (1965–1970). She served as deputy executive director (1983–1984) and distinguished schol-

ar and deputy director (1982–1983) of the Consortium for International Development.

She graduated from McNeese State University (B.S., 1957), the University of Arizona (M.S., 1958), and Florida State University (Ph.D., 1966). She is married and resides in Tucson, AZ. She was born December 5, 1934, in Bell City, LA.

## Proclamation 5443—National Black (Afro-American) History Month, 1986

*February 24, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Black history is a book rich with the American experience but with many pages yet unexplored. A chapter once beautiful and tragic was brilliantly illuminated this very year with the first celebration of the birthday of Dr. Martin Luther King, Jr., as a national holiday. This new holiday symbolizes the trail he blazed for others and the struggle of many Americans for full and unfettered recognition of the constitutional rights of all Americans, regardless of race or color.

Black history in the United States has been a proving ground for America's ideals. A great test of these ideals came with the Civil War and the elimination of slavery. Another test came a century later, in the struggle for practical recognition of the rights already won in principle—the abolition of legalized segregation and second-class citizenship.

The foremost purpose of Black History Month is to make all Americans aware of this struggle for freedom and equal opportunity. It is also a time to celebrate the many achievements of blacks in every field, from science and the arts to politics and religion. It not only offers black Americans an occasion to explore their heritage, but it also offers all Americans an occasion and opportunity to gain a fuller perspective of

the contributions of black Americans to our Nation. The American experience and character can never be fully grasped until the knowledge of black history assumes its rightful place in our schools and our scholarship.

The Congress, by Senate Joint Resolution 74, has designated the month of February 1986 as "National Black (Afro-American) History Month" and has authorized and requested the President to issue a proclamation in observance of this month.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim February 1986 as National Black (Afro-American) History Month. I invite the Governors of the several States, and our schools, colleges, universities, and libraries, the stewards of our national consciousness, and all Americans to observe this month with appropriate activities to heighten awareness of black history and to stimulate continuing inquiry into this rich vein of the American experience.*

*In Witness Whereof, I have hereunto set my hand this twenty-fourth day of February, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:57 a.m., February 25, 1986]*

## Proclamation 5444—Hugo Lafayette Black Day, 1986 February 24, 1986

*By the President of the United States  
of America*

### *A Proclamation*

February 27, 1986 marks the one hundredth anniversary of the birth of Hugo Lafayette Black, one of the most respected and influential Justices to serve on the Supreme Court in this century.

Hugo Black's tenure on the Supreme Court lasted for 34 years, from 1937 to 1971, from the days in which America was struggling to free itself from the effects of the Depression, through World War II and its aftermath, and through the turbulent decade of the 1960s. At the time of his appointment to the Court, Hugo Black was serving as a Senator from Alabama.

Justice Black was a strong believer in a written Constitution, as an instrument to assure control of the government by the people, by virtue of restraints specifically embodied in the document to limit governmental power and protect minorities of whatever race, creed, or ideological persuasion. He once called the Constitution his "legal bible." He cherished every word of it, he said, because it is our surest guarantee that this Nation will endure "strong and great through countless ages."

Throughout his tenure, Justice Black fought to maintain the vital principle of separation of powers. He strongly resisted what he regarded as unauthorized efforts of judges to supersede the judgment of the elected representatives of the people and to substitute their own views of appropriate social and economic policy.

This proud Son of the South played a leading role in the Supreme Court's effort to eliminate racial segregation from our society and ensure equal rights for all persons.

Justice Black's long and distinguished career also was marked by his commitment to the Bill of Rights, including most notably a strong belief in freedom of speech, and

the importance of a free press to the governance of a democracy. He also was a strong believer in unhindered access to the political process for all persons and to the core procedural protections afforded by the Constitution.

Hugo Black's formal accomplishments as Senator and Justice and his contributions to American jurisprudence cannot overshadow his warmth as a human being, the intimate collegial relationships he developed with colleagues, and remarkable gift for friendship that helped the Supreme Court function effectively through some of the most turbulent episodes in its history.

In order to honor Hugo Lafayette Black as a defender of freedom and dedicated public servant, the Congress of the United States, by Senate Joint Resolution 59, has designated February 27, 1986 as "Hugo Lafayette Black Day" and authorized and requested the President to issue a proclamation in observance of the one hundredth anniversary of his birth.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim February 27, 1986 as Hugo Lafayette Black Day, and I call upon the people of the United States to observe this day with appropriate ceremonies and activities.

*In Witness Whereof*, I have hereunto set my hand this twenty-fourth day of February, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:58 a.m., February 25, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on February 25.*

## **Statement by Secretary of State Shultz Announcing United States Recognition of the Philippine Government of President Corazon C. Aquino**

*February 25, 1986*

The President is pleased with the peaceful transition to a new government of the Philippines. The United States extends recognition to this new government headed by President Aquino. We pay special tribute to her for her commitment to nonviolence, which has earned her the respect of all Americans. The new government has been produced by one of the most stirring and courageous examples of the democratic process in modern history. We honor the Filipino people. The United States stands ready as always to cooperate and assist the Philippines as the government of President Aquino engages the problems of economic development and national security.

We praise the decision of President Marcos. Reason and compassion have pre-

vailed in ways that best serve the Filipino nation and people. In his long term as President, Ferdinand Marcos showed himself to be a staunch friend of the United States. We are gratified that his departure from office has come peacefully, characterized by the dignity and strength that have marked his many years of leadership.

It is the Filipino people, of course, who are the true heroes today. They have high expectations for their country and for democracy, and they have resolved this issue nonviolently in a way that does them honor.

*Note: George P. Shultz read the statement to reporters at 9:45 a.m. in the Briefing Room at the White House.*

## **Nomination of C. Ronald Kimberling To Be an Assistant Secretary of Education**

*February 25, 1986*

The President today announced his intention to nominate C. Ronald Kimberling to be Assistant Secretary for Postsecondary Education, Department of Education. He would succeed Edward M. Elmendorf.

Since 1982 Mr. Kimberling has been serving as Deputy Assistant Secretary for Higher Education Programs at the Department of Education. Previously, he was Executive Secretary in the Office of the Secretary of Education in 1981-1982; director of

enrollment services at the University of Southern California in 1978-1981; and assistant professor in the department of journalism at California State University at Northridge in 1975-1979.

He graduated from California State University at Northridge (B.A., 1972; M.A., 1977) and the University of Southern California (Ph.D., 1981). He is married and resides in Arlington, VA. He was born September 24, 1950, in Cleveland, OH.

## **Nomination of James Eugene Burnett, Jr., To Be a Member of the National Transportation Safety Board**

*February 25, 1986*

The President today announced his intention to nominate James Eugene Burnett, Jr., to be a member of the National Transportation Safety Board for the term expiring December 31, 1990. This is a reappointment.

Mr. Burnett has been a member of the National Transportation Safety Board since December 1981 and currently serves as Chairman. Previously he was a practicing

attorney and served as special associate justice of the Supreme Court of Arkansas. He was a juvenile judge in Van Buren County and a city judge in Damascus, AR.

He graduated from the University of Arkansas (B.A., 1970) and the University of Arkansas Law School (J.D., 1973). He was born September 20, 1947, in Little Rock, AR, and now resides in Arlington, VA.

## **Designation of Marcia Israel as Chairman of the Advisory Committee on Small and Minority Business Ownership**

*February 25, 1986*

The President today announced his intention to appoint Marcia Israel to be designated Chairman of the Advisory Committee on Small and Minority Business Ownership.

Mrs. Israel has been a member of the Advisory Committee on Small and Minority Business Ownership since 1984. She is president and chief executive officer of

Judy's, Inc., a group of specialty fashion stores located in five States. She is also creator and president of Golden Goose Electronics Corp., an electronic system used by retailers.

She is married, has two children, and resides in Los Angeles, CA. She was born November 10, 1920, in Cohecton, NY.

## **Appointment of B.B. Andersen as a Member of the Advisory Committee on Small and Minority Business Ownership**

*February 25, 1986*

The President today announced his intention to appoint B.B. Andersen to be a member of the Advisory Committee on Small and Minority Business Ownership. He will succeed Stanley S. Scott.

Mr. Andersen is president of B.B. Andersen & Companies, Inc., a construction and development company which he founded in

1970 in Topeka, KS. He also serves on the board of directors of the Topeka Chamber of Commerce and as a director of the Associated General Contractors of Kansas.

He attended Kansas State University. He is married, has four children, and resides in Mission Hills, KS. He was born January 18, 1936, in Geddes, SD.

## Message to the Congress Transmitting a Request for Assistance for the Nicaraguan Democratic Resistance *February 25, 1986*

### *To the Congress of the United States:*

When the Congress approved humanitarian assistance for the Nicaraguan democratic resistance last year, it assured the survival of those fighting for democracy in Nicaragua. However, this assistance has not been sufficient to bring about changes in the policies of the communist Government of Nicaragua that would make possible a peaceful resolution of the conflict in Central America and end Nicaragua's aggression against our allies there.

### *Determinations*

Negotiations based on the Contadora Document of Objectives of September 9, 1983, have failed to produce an agreement, and other trade and economic measures have failed to resolve the conflict. At the same time, the legislation for humanitarian assistance is about to expire. If no further action is taken, it is clear that the Nicaraguan communists will steadily intensify their efforts to crush all opposition to their tyranny, consolidating their ability to use Nicaragua, in concert with their Soviet-block patrons, as a base for further intimidating the democratic nations of Central America and spreading subversion and terrorism in our hemisphere.

In these circumstances, the laws providing for humanitarian assistance to the Nicaraguan democratic resistance permit me to request authority to provide additional assistance, and specify expedited procedures for action by the Congress on my request. I am transmitting herewith a formal request for such additional assistance. As required by law, I have consulted with the Congress in formulating this request.

### *Why Negotiations and Other Measures Have Failed*

In reports that I transmitted to the Congress in November 1985 and February 1986, I described the continued efforts by the United States to promote a negotiated settlement in Central America and in Nica-

ragua based on the Contadora Document of Objectives. Our persistent efforts to achieve a peaceful solution have failed to resolve the conflict because Nicaragua has continued to reject meaningful negotiations. Communist attempts to circumvent and subvert Contadora, apparent from the beginning of the negotiating process, have left a clear trail of lost opportunities for peaceful reconciliation. In most recent months, Nicaragua has repeatedly frustrated negotiations aimed at producing a final, comprehensive Contadora treaty.

Recent Contadora meetings to discuss a comprehensive, verifiable regional agreement have been inconclusive largely due to Nicaraguan intransigence on key issues. Following two rounds of talks in October, on November 11, 1985, Nicaragua made public a letter from President Ortega to the Contadora Group and Support Group governments setting forth objections to the September 12, 1985, draft agreement tabled by the Contadora Group governments. Nicaragua argued that it could not assume the obligations of a Contadora agreement unless it reached a prior accommodation with the United States.

On December 3, President Ortega formally requested a suspension in Contadora negotiations until May 1986, that is until after the governments to be elected in Costa Rica, Honduras, and Guatemala will have been installed. Costa Rica, Honduras, and Guatemala, however, joined 25 other OAS member states in voting for a resolution at the OAS General Assembly in Cartagena that urged continuation of the Contadora negotiations. Of all OAS members, only one member—Nicaragua—voted against that resolution. Subsequently, only Nicaragua refused to resume Contadora talks—a major reason why the United Nations General Assembly failed to achieve consensus on a resolution of support for the Contadora process.

On January 12, the Foreign Ministers of the Contadora Group and Support Group,

meeting at Caraballeda, Venezuela, issued a joint statement intended to revitalize the process. The Foreign Ministers of the five Central American states, including Nicaragua, signed the "Declaration of Guatemala" on January 15, endorsing the Caraballeda message. Afterwards, the Government of Nicaragua issued a press communique which, although claiming "total adherence" to the Caraballeda message, characterized the various actions suggested in the Caraballeda message as prerequisites to resumption of Contadora negotiations. This communique also reaffirmed the Nicaraguan position of November 11 objecting to the Contadora draft agreement.

On February 5, President Ortega repeated this position in his speech to the Third Cuban Communist Party Congress in Havana noting that "the peace document that the Contadora Group submitted in September 1985 is unacceptable to Nicaragua."

On February 10, Secretary of State Shultz met with the Foreign Ministers of the Contadora Group and Support Group. The Secretary welcomed the good offices of the two Contadora groups to promote national reconciliation as expressed in the Caraballeda message, and offered to resume bilateral talks with Nicaragua simultaneously with the beginning of Sandinista dialogue with the democratic resistance. Secretary Shultz also informed the Foreign Ministers that the United States was prepared to take further steps in response to changes in Nicaraguan behavior on the four key issues of concern—support of subversion, the Cuban/Soviet presence, the military buildup, and internal repression. He pointed out that a dialogue and ceasefire would mean that cessation of the application of force and the process of national reconciliation would go forward at the same time. My Special Envoy, Ambassador Harry Shlaudeman, began consultation with the Contadora and Support Group governments the week of February 16 on this initiative.

Meanwhile, the Sandinistas have rejected a February 6 proposal from opposition political parties in Nicaragua for suspension of hostilities, an effective general amnesty law for reconciliation of all Nicaraguans, a repeal of the state of emergency, an agree-

ment for the establishment and observance of a new electoral process, effective fulfillment of Nicaragua's commitments for democratization and international assistance in the implementation of these demands. Also, another Contadora negotiating session held February 14–15 was inconclusive because of continued Nicaraguan refusal to address the remaining issues to be resolved in the current Contadora draft agreement.

### *Description of Request*

The request transmitted herewith asks your approval for the transfer of \$100,000,000 from funds already appropriated for the Department of Defense so that those funds would also be available for assistance to the Nicaraguan democratic resistance. I am requesting this transfer authority, in lieu of a supplemental appropriation, because I regard this request as a matter of high priority for the national security of the United States. Including a proposal for additional funds in this request would have diverted attention from the basic national security issues here involved. However, the resulting reduction in the funds available for the Department of Defense, if not remedied, will inevitably impair ongoing efforts to restore and maintain the readiness of the armed forces. This impairment in defense readiness will be addressed separately.

The \$100,000,000 to be made available for assistance to the Nicaraguan democratic resistance would include funds that have been appropriated to remain available for obligation beyond September 30, 1986. Obligations will be made on an incremental basis, with 25 percent available when the request is approved and an additional 15 percent to become available at 90-day intervals as reports are provided to the Congress on actions to achieve a resolution of the conflict in Central America. However, no obligations may be incurred after September 30, 1987.

Of the \$100,000,000, \$30,000,000 will be for a program of humanitarian assistance administered by the present Nicaraguan Humanitarian Assistance Office, including \$3,000,000 exclusively for strengthening the observance and advancement of human

rights. This emphasis on human rights reflects a determination that human rights must be respected. As in our support for democracy elsewhere, human rights training and assistance can be expected to achieve significant positive results.

Should a peaceful settlement of the conflict in Central America be achieved during the period these funds remain available, the remaining funds could then be used for assistance to Central American countries, including Nicaragua, for relief, rehabilitation, and reconstruction.

Approval of this request will permit me to use any department or agency in the Executive Branch, including agencies involved in intelligence activities, in carrying out programs and activities to assist the Nicaraguan democratic resistance. The statutory requirements for congressional approval of the use of such agencies, as well as statutes requiring prior authorization for the use of appropriated funds will be satisfied by the approval of my request.

Finally, the request contains a series of undertakings by me, which I am asking the Congress to accept. These undertakings, which were developed in consultations with the Congress, are intended to assure that a clear and explicit understanding exists between the Executive and Legislative Branches as to the purposes of the requested assistance to the Nicaraguan democratic resistance and United States objectives in Central America.

In particular, I am undertaking in this request:

—That United States policy toward Nicaragua will be based on Nicaragua's responsiveness to our well-known concerns about the Government of Nicaragua's close military and security ties to Cuba and the Soviet Union, its military buildup, its unlawful support for subversion and terrorism, its internal repression, and its refusal to negotiate in good faith with its neighbors or its own people;

—That, in addition to support for the democratic resistance, the United States will rely on economic, political and diplomatic measures to address these concerns. In this regard, I am publicly affirming two offers that I have previously made through diplomatic channels in an effort to obtain a

peaceful resolution of the conflict. First, we will engage in formal bilateral discussions with the Nicaraguan Government, to commence *simultaneously* with a church-mediated national dialogue in Nicaragua, as has been proposed by the United Nicaraguan Opposition. Second, we will take other positive actions in response to Nicaraguan steps toward meeting our concerns.

In determining how to implement these offers, I will consult with the Congress and will be guided by the observable behavior of the Government of Nicaragua. We will not be satisfied with expressions of intent. But we will respond to changes of behavior in areas such as freedom of the press and religion, reductions of foreign arms and military personnel, respect for a cease-fire, and cessation of support for insurgents and terrorists.

My request affirms that our actions are consistent with our right to defend ourselves and assist our allies, and are directed toward achieving peace based on the Contadora Document of Objectives and a democratic reconciliation in Nicaragua, all without the use of force by the United States. I do not intend to introduce the armed forces of the United States into combat against the Government of Nicaragua, and I affirm that I will not regard approval of my request for assistance as authorizing any such action.

The final undertaking in this request responds to the desire of the Congress to be kept informed about efforts to achieve resolution of the conflict in Central America. I am undertaking to report every ninety days on progress toward a negotiated settlement, as well as on the disbursement of assistance funds and on human rights issues. The continued availability of assistance funds will be contingent upon the receipt by the Congress of these periodic reports.

### *The Need for This Assistance*

Since the beginning of my first Administration, there has been no foreign policy issue more directly affecting United States national interests than the conflict in Central America, for this conflict challenges not only our strategic position but the very principles upon which this Nation is found-

ed. We can be justifiably proud of progress in the region to alleviate and ultimately eliminate the causes of that conflict. With strong support from the United States, freedom and democracy, the fundamental pillars of peace, have made dramatic gains. Guatemala, Honduras, and El Salvador have held free and open elections. Costa Rica continues its tradition as a vigorous democratic example. United States economic, political, and military support have strengthened the moderate center in Central America and reversed the tragic polarization on the left and right that threatened to engulf the region in endless violence. As a result, the only president in Central America who wears a military uniform today is Daniel Ortega of Nicaragua. He presides over a repressive regime, armed to the teeth by the Soviets and Cubans, which is the most immediate threat to the progress of its neighbors.

Few now question that the rulers of Nicaragua are deeply committed communists, determined to consolidate their totalitarian communist state. Their long, documented record of brutal repression leaves no room for doubt. Nor can there be any dispute that they seek to export their ideology through terrorism and subversion to neighboring countries. Their neighbors' success in offering democracy as a viable alternative for the people of Central America is a major threat to the system they advocate. The Sandinistas have been constrained principally because they have not yet crushed opposition to their regime at home. The struggle of the Nicaraguan democratic resistance for democracy in their own homeland has provided a shield for democratic progress in other Central American countries. But the Sandinistas, with massive Soviet and Cuban military assistance, have clearly made the elimination of these freedom fighters their number one priority. If they achieve that goal, there will be no remaining obstacle to their efforts to destabilize neighboring states.

Despite this threat to peace, we do not accept that conflagration is inevitable in Central America. The path to peace is clear. The origin of the conflict in Nicaragua is the revolt of the Nicaraguan people themselves against tyranny. A church-medi-

ated dialogue, serious negotiations between the Sandinistas and the external and internal opposition, including the democratic resistance, is the place to begin. The United States strongly supports such negotiations, and we welcome the efforts of the Latin American nations of the Contadora Group and Support Group to promote national reconciliation talks to resolve the Nicaraguan conflict. We will steadfastly support the Contadora process in its efforts to find a solution in Central America that will be the basis for lasting peace. We will also continue to look for flexibility in the Nicaraguan position and are prepared to respond with appropriate measures to encourage them to come to terms with their own people in a democratic framework.

At the same time, we can entertain no illusions that the Sandinistas will enter negotiations on steps to allow legitimate democratic dissent unless democratic forces in Nicaragua can credibly and forcefully assert their right to a voice in Nicaragua's future. The Sandinistas' record of repression of democratic opposition groups leaves little hope that they will willingly follow such a course. They will never embrace open, democratic norms unless confronted with undeniable demands from steadily growing numbers of Nicaraguans prepared to fight for liberty and for their right to participate in their country's political life.

Our experience with the Sandinistas over six and a half years points unmistakably to the need to accompany diplomatic policy with substantial pressure focused on the same objectives. Without power, diplomacy lacks leverage. The Sandinistas will not take meaningful steps toward national reconciliation until they realize that opposition to the consolidation of a Marxist-Leninist regime is too strong to be repressed. Approval of this request will enable the United States to be in a position to provide assistance that permits the resistance to conduct sustained operations in Nicaragua and expand their area of operations. The resistance will be able to incorporate more of the thousands of volunteers waiting to join their forces but who cannot be accepted for lack of supplies. They will be able to establish a stronger presence among a larger segment of the



Nicaraguan population, thus increasing the pressure on the Sandinistas to enter into dialogue with all opposition elements, and to negotiate seriously in the Contadora process.

The cause of the United States in Nicaragua, as in the rest of Central America, is the cause of freedom and ultimately, our own national security.

The Soviet Union and its satellites understand the great stakes in Nicaragua. The Soviets have already made their decision to support the Sandinistas. Cuba's Castro has already made his decision to support the Sandinistas. Libya's Qadhafi has already made his decision to support the Sandinistas saying, we support them, "... because they are fighting America at its doorstep. Nicaragua means a great thing; it means fighting America near its borders."

Congress must act decisively to prevent an outcome deeply injurious to the security of our Nation.

If the enemies of democracy thousands of miles away understand the strategic importance of Nicaragua, understand that Nicaragua offers the possibility of destabilizing all Central America, of sending a tidal wave of refugees streaming toward our southern border, and of tying down the United States and weakening our ability to meet our commitments overseas, then we Americans must understand that Nicaragua is a foreign policy question of supreme importance which goes to the heart of our country's freedom and future. With its vote, Congress will make its decision.

Those fighting for freedom in Nicaragua deserve and desperately need our help. The humanitarian assistance approved by the Congress in 1985 has proven insufficient. Cuban and Soviet military aid in the form of training and sophisticated hardware have taken their toll. If the Nicaraguan democratic resistance is to continue its struggle, and if peace, democracy, and security in this hemisphere are to be preserved, the United States must provide what is necessary to carry on the fight. If we fail to help friends in need now, then the price we will pay later will be much higher.

Your approval of the request I am transmitting to you will provide the necessary help. I urge the prompt enactment of a

joint resolution expressing that approval.

RONALD REAGAN

The White House,  
February 25, 1986.

*Request for Additional Authority and Assistance for the Nicaraguan Democratic Resistance*

Pursuant to the provisions of section 722(p) of the International Security and Development Cooperation Act of 1985 (P.L. 99-83) and section 106(a) of chapter V of the Supplemental Appropriations Act, 1985 (P.L. 99-88), I hereby request that the Congress approve additional authority and assistance for the Nicaraguan democratic resistance, as follows:

(1) That the sum of \$100,000,000 appropriated by the Department of Defense Appropriations Act, 1986, as contained in P.L. 99-190, shall be available for transfer by the President to appropriations available for assistance to the Nicaraguan democratic resistance and shall be available for that purpose, subject to the terms and conditions of this request.

(2) That the funds transferred under paragraph (1) will include funds that have been made available for obligation beyond September 30, 1986, as provided by law: *Provided*, That not more than 25 percent shall be available for obligation upon the enactment of a joint resolution approving this request, and an additional 15 percent shall become available upon submission of each report to the Congress required by paragraph (6)(E) of this request, and no obligations may be incurred after September 30, 1987.

(3) That, of the funds transferred under paragraph (1), \$30,000,000 shall be available during the period of availability of those funds for continuation of a program of humanitarian assistance to be administered by the Nicaraguan Humanitarian Assistance Office established by Executive Order 12530, of which at least \$3,000,000 will be used exclusively for strengthening programs and activities of the United Nicaraguan Opposition for the observance and advancement of human rights.

(4) That, notwithstanding the proviso con-

tained in paragraph (2) of this request, in the event of a peaceful settlement of the conflict in Central America during the period that the funds transferred under paragraph (1) are available for obligation, any remaining balance of such funds shall then also be available for purposes of relief, rehabilitation, and reconstruction in Central American countries, including Nicaragua, in accordance with the authority of chapter 4 of part II of the Foreign Assistance Act of 1961.

(5) That the approval by the Congress of this request be deemed to satisfy the requirements, terms, and conditions of section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986 (P.L. 99-169) as well as statutory requirements for the authorization of appropriations (including section 10 of P.L. 91-672, section 502 of the National Security Act of 1947, and section 8109 of the Department of Defense Appropriations Act, 1986), subject to—

(A) all applicable provisions of law and established procedures relating to the oversight by the Congress of operations of departments and agencies; and

(B) the further terms and conditions specified in this request.

(6) That the approval by the Congress of this request be deemed to constitute the acceptance of the following undertakings:

(A) United States policy toward Nicaragua shall be based upon Nicaragua's responsiveness to continuing concerns by the United States and Nicaragua's neighbors about—

(i) Nicaragua's close military and security ties to Cuba, the Soviet Union, and its Warsaw Pact allies, including the presence in Nicaragua of military and security personnel from those countries;

(ii) Nicaragua's buildup of military forces in numbers disproportionate to those of its neighbors and equipped with sophisticated weapons systems and facilities designed to accommodate even more advanced equipment;

(iii) Nicaragua's unlawful support for armed subversion and terrorism directed against the democratically elected governments of other countries;

(iv) Nicaragua's internal repression and lack of opportunity for the exercise of civil and political rights that would allow the

people of Nicaragua to have a meaningful voice in determining the policies of their government; and

(v) Nicaragua's refusal to negotiate in good faith for a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1983 Contadora Document of Objectives and, in particular, its refusal to enter into a church-mediated national dialogue as proposed by the Nicaraguan democratic resistance on March 1, 1985.

(B) The United States will address these concerns through economic, political, and diplomatic measures, as well as through support for the Nicaraguan democratic resistance. In order to assure every opportunity for a peaceful resolution of the conflict, the United States—

(i) will engage in simultaneous bilateral discussions with the Government of Nicaragua with a view toward facilitating progress in achieving a peaceful resolution of the conflict if the Government of Nicaragua engages in a church-mediated national dialogue, as proposed by the United Nicaraguan Opposition; and

(ii) will take other positive actions in response to steps by the Government of Nicaragua toward meeting the concerns described in subparagraph (A).

(C) The duration of bilateral discussions with the Government of Nicaragua and the implementation of additional measures under subparagraph (B) shall be determined, after consultation with the Congress, by reference to Nicaragua's actions in response to the concerns described in subparagraph (A). Particular regard will be paid to whether—

(i) freedom of the press, religion, and assembly are being respected in Nicaragua;

(ii) additional arms and foreign military personnel are no longer being introduced into Nicaragua;

(iii) a cease-fire with the Nicaraguan democratic resistance is being respected; and

(iv) Nicaragua is withholding support for insurgency and terrorism in other countries.

(D) The actions by the United States in response to the concerns described in subparagraph (A), authorized by the approval

of this request, are consistent with the right of the United States to defend itself and to assist its allies in accordance with international law and treaties in force. Such actions are directed to achieving a comprehensive and verifiable agreement among the countries of Central America, based upon the 1983 Contadora Document of Objectives, and internal reconciliation within Nicaragua, based upon democratic principles, without the use of force by the United States. The approval of this request shall not be construed as authorizing any member or unit of the armed forces of the United States to engage in combat against the Government of Nicaragua.

(E) The President will transmit a report to the Congress within 90 days after the date of approval of this request, and every 90 days thereafter, on actions taken to

achieve a resolution of the conflict in Central America in a manner that meets the concerns described in subparagraph (A). Each such report shall include—

(i) a detailed statement of any progress made in reaching a negotiated settlement, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(ii) a detailed accounting of the disbursements made to provide assistance with the funds made available pursuant to paragraph (1); and

(iii) a discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses.

## **Executive Order 12552—Productivity Improvement Program for the Federal Government**

*February 25, 1986*

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Budget and Accounting Act of 1921, as amended, and in order to establish a comprehensive program for the improvement of productivity throughout all Executive departments and agencies, it is hereby ordered as follows:

*Section 1.* There is hereby established a government-wide program to improve the quality, timeliness, and efficiency of services provided by the Federal government. The goal of the program shall be to improve the quality and timeliness of service to the public, and to achieve a 20 percent productivity increase in appropriate functions by 1992. Each Executive department and agency will be responsible for contributing to the achievement of this goal.

*Sec. 2.* As used in this Order, the term:

(a) “Productivity” means the efficiency with which resources are used to produce a government service or product at specified levels of quality and timeliness;

(b) “Services” means those functions and activities performed by the Federal government to achieve program objectives;

(c) “Common agency functions” means those functions which are found in more than one agency, such as awarding grants or loans to individuals or institutions, providing direct benefit payments, processing claims, or furnishing health care;

(d) “Common government functions” means those functions that are common to every agency, such as administrative services;

(e) “Measurement system” means both the specific measures used to determine whether standards of quality, timeliness, and efficiency of services are being met, and the procedures for the collection and reporting of data resulting from application of productivity measures;

(f) “Organizational performance standard” means a statement which quantifies and describes the desired level of quality, timeliness, and efficiency of services to be provided by an organization;

(g) "Management review" means the review by the Director of the Office of Management and Budget, as part of the budget process, of agency accomplishments and plans for management and productivity improvements.

*Sec. 3.* The head of each Executive department and agency shall:

(a) Use the agency's planning process to review current functions, develop agency goals and objectives for improvement in services, and to identify those functions which offer the most significant opportunity for major gains in quality, timeliness, and efficiency.

(b) Develop and submit annually to the Office of Management and Budget a productivity plan. Each plan shall conform to the policy guidance issued by the Director of the Office of Management and Budget, pursuant to Section 5 of this Order, and shall:

(1) set forth the agency's productivity goals and objectives;

(2) target priorities for the year, and expand coverage each subsequent year to additional appropriate functions and programs, with the objective of broadest possible coverage on all appropriate functions by 1992;

(3) describe the proposed actions designed to make the agency's operations and delivery of services more efficient and responsive;

(4) describe the methods, including efficiency reviews and cost comparisons with the private sector, that the agency will use either to improve its own service, or to make use of commercial services available in the private sector when it is economical to do so; and,

(5) describe the measurement systems to be used by the agency to gauge quality, timeliness, and efficiency.

(c) Implement the productivity program after the management review by the Director of the Office of Management and Budget as provided in Section 6.

(d) Assess annually the agency's progress toward achieving objectives and priorities, including documented gains and cost savings. This assessment will form the basis of the agency's report to the Domestic Policy Council as required by Section 4.

(e) Designate a senior official responsible for guiding the agency's productivity improvement program;

(f) Inform agency managers and employees that they are expected to be responsible for improvements in the quality, timeliness, and efficiency of services;

(g) Encourage employee participation in the productivity program through employee training, incentives, recognition, rewards and by taking actions to minimize negative impacts on employees which may occur as a result of the productivity program.

*Sec. 4.* The head of each Executive department and agency shall report annually to the President through the Domestic Policy Council on accomplishments achieved under the plan.

*Sec. 5.* The Director of the Office of Management and Budget is authorized to:

(a) Develop and promulgate goals, policies, principles, standards, and guidelines for the effective administration of this Order by Executive departments and agencies;

(b) Identify and propose the elimination of statutory barriers that inhibit opportunities to make improvements in productivity; and

(c) In consultation with the agencies, select and develop organizational performance standards for those common government and common agency functions that are appropriate targets for improvement in quality, timeliness, and efficiency.

*Sec. 6.* The Director shall review, through the management review process, each agency's productivity plan based upon the requirements and guidance issued pursuant to Section 5 of this Order. Nothing in this subsection shall be construed as displacing agency responsibilities delegated by law.

*Sec. 7.* The Director of the Office of Management and Budget shall submit to Congress, in conjunction with the President's budget, a report on productivity plans and accomplishments of the agencies and the government as a whole.

*Sec. 8.* The Director of the Office of Personnel Management shall:

(a) review incentive practices and programs and other personnel policies and practices which relate to the productivity of

the Federal work force and make or recommend such changes as will support productivity improvement;

(b) develop programs to minimize negative impacts on employees; such programs should include, among others, continued development of retraining and job placement alternatives; and

(c) develop and implement training programs for Federal employees to assist them in their performance of productivity improvement tasks.

The Director of the Office of Personnel Management will report to the Office of Management and Budget on actions taken pursuant to this Section.

RONALD REAGAN

The White House,  
February 25, 1986.

*[Filed with the Office of the Federal Register, 11:18 a.m., February 26, 1986]*

## **Executive Order 12553—Revocation of Various Executive Orders *February 25, 1986***

By the authority vested in me as President by the Constitution and laws of the United States of America, and to eliminate Executive Orders that are no longer neces-

sary, it is hereby ordered that the following Executive Orders, and any amendments thereto, are revoked:

<i>No.</i>	<i>Subject</i>
723	Providing for examination for appointment to the U.S. Military and Naval Academies.
3577	Establishing the manner of dating proclamations, commissions and similar executive documents.
5491	Providing for appointments to and inclusion of the District of Columbia municipal service in the Civil Service.
5918	Providing for examination for appointment to the U.S. Military and Naval Academies.
6359	Relating to gold recovered from natural deposits.
6558	Relating to receipt of gold on consignment by mints and assay offices.
8427	Prescribing regulations for interbuilding mail and messenger service.
9095	Establishing the Office of Alien Property Custodian.
9193	Relating to the Office of Alien Property Custodian.
9553	Creating an emergency board to investigate a railroad labor dispute.
9555	Creating an emergency board to investigate a railroad labor dispute.
9567	Amending functions and duties of the Alien Property Custodian with respect to property of Germany and Japan and their nationals.
9573	Creating an emergency board to investigate a railroad labor dispute.
9576	Creating an emergency board to investigate a railroad labor dispute.
9588	Creating an emergency board to investigate railroad labor disputes.
9640	Creating an emergency board to investigate railroad labor disputes.
9663	Creating an emergency board to investigate railroad labor disputes.
9675	Creating an emergency board to investigate railroad labor disputes.
9684	Creating an emergency board to investigate railroad labor disputes.
9700	Creating an emergency board to investigate railroad labor disputes.
9702	Creating an emergency board to investigate a railroad labor dispute.
9713	Creating an emergency board to investigate a railroad labor dispute.
9716	Creating an emergency board to investigate a railroad labor dispute.
9717	Creating an emergency board to investigate railroad labor disputes.
9719	Creating an emergency board to investigate airline labor disputes.
9721	Providing for transfer of personnel to certain public international organizations.

<i>No.</i>	<i>Subject</i>
9731	Creating an emergency board to investigate a railroad labor dispute.
9748	Creating an emergency board to investigate an airline labor dispute.
9749	Creating an emergency board to investigate a railroad labor dispute.
9763	Creating an emergency board to investigate a railroad labor dispute.
9770	Creating an emergency board to investigate a railroad labor dispute.
9782	Creating an emergency board to investigate a railroad labor dispute.
9793	Creating an emergency board to investigate railroad labor disputes.
9798	Creating an emergency board to investigate a railroad labor dispute.
9803	Creating an emergency board to investigate a railroad labor dispute.
9838	Creating an emergency board to investigate railroad labor disputes.
9855	Creating an emergency board to investigate a railroad labor dispute.
9874	Creating an emergency board to investigate railroad labor disputes.
9878	Creating an emergency board to investigate a railroad labor dispute.
9880	Creating an emergency board to investigate a railroad labor dispute.
9891	Creating an emergency board to investigate a railroad labor dispute.
9899	Creating an emergency board to investigate a railroad labor dispute.
9900	Creating an emergency board to investigate a railroad labor dispute.
9910	Creating an emergency board to investigate a railroad labor dispute.
9918	Creating an emergency board to investigate railroad labor disputes.
9922	Creating an emergency board to investigate a railroad labor dispute.
9923	Creating an emergency board to investigate a railroad labor dispute.
9929	Creating an emergency board to investigate a railroad labor dispute.
9936	Creating an emergency board to investigate a railroad labor dispute.
9940	Creating an emergency board to investigate a railroad labor dispute.
9942	Providing for performance of functions under the Rubber Act of 1948.
9947	Creating an emergency board to investigate a railroad labor dispute.
9948	Creating an emergency board to investigate a railroad labor dispute.
9949	Amending provisions for transfer of personnel to certain public international organizations.
9965	Creating an emergency board to investigate airline labor disputes.
9971	Creating an emergency board to investigate railroad labor disputes between certain workers and transportation systems operated by the Secretary of the Army.
9988	Prescribing Selective Service regulations.
9991	Creating an emergency board to investigate a railroad labor dispute.
9992	Amending Selective Service regulations.
9996	Creating an emergency board to investigate a railroad labor dispute.
10001	Prescribing and amending Selective Service regulations.
10008	Amending Selective Service regulations.
10010	Creating an emergency board to investigate railroad labor disputes.
10015	Amending an order creating an emergency board to investigate railroad labor disputes.
10029	Creating an emergency board to investigate an airline labor dispute.
10032	Creating an emergency board to investigate a railroad labor dispute.
10037	Creating an emergency board to investigate a railroad labor dispute.
10038	Creating an emergency board to investigate a railroad labor dispute.
10045	Creating an emergency board to investigate a railroad labor dispute.
10048	Creating an emergency board to investigate a railroad labor dispute.
10050	Creating an emergency board to investigate a railroad labor dispute.
10051	Creating an emergency board to investigate a railroad labor dispute.
10054	Modifying provisions for transfer of personnel to certain public international organizations.
10056	Creating an emergency board to investigate a railroad labor dispute.
10067	Creating an emergency board to investigate a railroad labor dispute.
10071	Creating an emergency board to investigate a railroad labor dispute.
10078	Creating an emergency board to investigate a railroad labor dispute.
10080	Authorizing certain Government employees to acquire a competitive civil service status.
10103	Amending provisions for transfer of personnel to certain public international organizations.
10105	Creating an emergency board to investigate a railroad labor dispute.
10106	Creating a board of inquiry to report on a labor dispute affecting the coal industry.

<i>No.</i>	<i>Subject</i>
10109	Creating an emergency board to investigate railroad labor disputes.
10112	Creating an emergency board to investigate a railroad labor dispute.
10114	Creating an emergency board to investigate a railroad labor dispute.
10116	Amending Selective Service regulations.
10117	Creating an emergency board to investigate a railroad labor dispute.
10120	Creating an emergency board to investigate a railroad labor dispute.
10125	Creating an emergency board to investigate a railroad labor dispute.
10130	Creating an emergency board to investigate a railroad labor dispute.
10138	Creating an emergency board to investigate a railroad labor dispute.
10139	Creating an emergency board to investigate a railroad labor dispute.
10140	Creating an emergency board to investigate a railroad labor dispute.
10142	Creating an emergency board to investigate an airline labor dispute.
10147	Creating an emergency board to investigate a railroad labor dispute.
10150	Creating an emergency board to investigate railroad labor disputes.
10157	Authorizing certain Government employees to acquire a competitive civil service status.
10165	Creating an emergency board to investigate a railroad labor dispute.
10167	Prescribing or amending Selective Service regulations.
10202	Prescribing or amending Selective Service regulations.
10203	Creating an emergency board to investigate an airline labor dispute.
10230	Amending Selective Service regulations.
10232	Amending Selective Service regulations.
10258	Amending Selective Service regulations.
10283	Creating a board of inquiry to report on labor disputes affecting the copper and nonferrous metals industry.
10285	Creating an emergency board to investigate a labor dispute between certain workers and a railroad operated by the Secretary of the Army.
10286	Creating an emergency board to investigate a railroad labor dispute.
10292	Amending Selective Service regulations.
10300	Providing for the administration of the Mutual Security Act of 1951.
10303	Creating an emergency board to investigate a labor dispute between employees and transportation systems operated by the Secretary of the Army.
10306	Creating an emergency board to investigate a railroad labor dispute.
10314	Creating an emergency board to investigate an airline labor dispute.
10319	Creating an emergency board to investigate an airline labor dispute.
10323	Transferring certain functions and delegating certain powers to the Small Defense Plants Administration.
10328	Prescribing Selective Service regulations.
10344	Prescribing or amending Selective Service regulations.
10363	Amending Selective Service regulations.
10366	Amending Selective Service regulations.
10368	Amending provisions for the administration of the Mutual Security Act of 1951.
10371	Creating an emergency board to investigate an airline labor dispute.
10372	Creating an emergency board to investigate an airline labor dispute.
10376	Providing for permanent appointments in the field service of the Post Office Department.
10406	Creating an emergency board to investigate an airline labor dispute.
10415	Amending provisions for transfer of personnel to certain public international organizations.
10417	Creating a board of inquiry to report on a labor dispute affecting the construction and operation of atomic energy facilities.
10420	Amending Selective Service regulations.
10449	Creating an emergency board to investigate a railroad labor dispute.
10458	Providing for the administration of certain foreign aid programs.
10469	Amending Selective Service regulations.
10504	Transferring certain functions, powers, and duties to the Small Business Administration.
10505	Amending Selective Service regulations.
10509	Creating an emergency board to investigate a railroad labor dispute.
10511	Creating an emergency board to investigate railroad labor disputes.

<i>No.</i>	<i>Subject</i>
10542	Creating a board of inquiry to report on a labor dispute affecting the operations of atomic energy facilities.
10543	Creating a board of inquiry to report on a labor dispute affecting the operations of atomic energy facilities.
10562	Amending Selective Service regulations.
10570	Creating an emergency board to investigate a railroad labor dispute.
10576	Creating an emergency board to investigate an airline labor dispute.
10578	Creating an emergency board to investigate a railroad labor dispute.
10587	Providing for the administration of the Trading with the Enemy Act.
10593	Authorizing the Director of the Office of Defense Mobilization to perform additional functions of the President.
10594	Amending Selective Service regulations.
10601	Relating to the administration of a commodity set-aside.
10615	Creating an emergency board to investigate a railroad labor dispute.
10622	Creating an emergency board to investigate a railroad labor dispute.
10630	Creating an emergency board to investigate a railroad labor dispute.
10635	Creating an emergency board to investigate a railroad labor dispute.
10643	Creating an emergency board to investigate railroad labor disputes.
10644	Administering Title II of the International Claims Settlement Act, as amended, relating to vesting and liquidation of Bulgarian, Hungarian and Rumanian property.
10650	Prescribing Selective Service regulations.
10657	Transferring to the Housing and Home Finance Administrator certain functions of the Atomic Energy Commission under the Atomic Energy Community Act of 1955.
10659	Amending Selective Service regulations.
10689	Creating a board of inquiry to report on labor disputes affecting the maritime industry.
10691	Creating an emergency board to investigate a railroad labor dispute.
10693	Creating an emergency board to investigate railroad labor disputes.
10696	Creating an emergency board to investigate a railroad labor dispute.
10709	Creating an emergency board to investigate a dock company labor dispute.
10710	Creating a board of inquiry to report on a labor dispute affecting the operations of atomic energy facilities.
10714	Amending Selective Service regulations.
10723	Creating an emergency board to investigate a railroad labor dispute.
10734	Amending Executive Order No. 10657 relating to the transfer of certain functions to the Housing and Home Finance Administrator under the Atomic Energy Community Act of 1955.
10735	Amending Selective Service regulations.
10738	Providing for inspection of estate and gift tax returns by State tax officials.
10749	Creating an emergency board to investigate an airline labor dispute.
10750	Creating an emergency board to investigate an airline labor dispute.
10757	Creating an emergency board to investigate an airline labor dispute.
10760	Creating an emergency board to investigate an airline labor dispute.
10770	Creating an emergency board to investigate an airline labor dispute.
10774	Providing for the protection of the civil service rights of Federal personnel who transfer to the International Atomic Energy Agency.
10809	Amending Selective Service regulations.
10811	Creating an emergency board to investigate an airline labor dispute.
10837	Amending Selective Service regulations.
10842	Creating a board of inquiry to report on labor disputes affecting the maritime industry.
10843	Creating a board of inquiry to report on a labor dispute affecting the steel industry.
10848	Amending Executive Order No. 10843 creating a board of inquiry to report on a labor dispute affecting the steel industry.
10862	Creating an emergency board to investigate a railroad labor dispute.
10868	Creating an emergency board to investigate a railroad labor dispute.
10872	Creating an emergency board to investigate an airline labor dispute.
10874	Creating an emergency board to investigate a railroad labor dispute.



<i>No.</i>	<i>Subject</i>
10875	Creating an emergency board to investigate railroad labor disputes.
10877	Creating an emergency board to investigate a railroad labor dispute.
10878	Creating an emergency board to investigate a railroad labor dispute.
10888	Creating an emergency board to investigate a railroad labor dispute.
10904	Creating an emergency board to investigate a railroad labor dispute.
10906	Providing for inspection of tax returns made in respect to certain taxes imposed by the Internal Revenue Code of 1954.
10919	Creating an emergency board to investigate an airline labor dispute.
10923	Creating an emergency board to investigate airline labor disputes.
10926	Extending an emergency board created to investigate an airline labor dispute.
10933	Extending an emergency board created to investigate airline labor disputes.
10944	Creating an emergency board to investigate a railroad labor dispute.
10949	Creating a board of inquiry to report on a labor dispute affecting the maritime industry.
10951	Amending Executive Order No. 10949 creating a board of inquiry to report on a labor dispute affecting the maritime industry.
10953	Creating an emergency board to investigate a railroad labor dispute.
10954	Amending an authorization to inspect certain tax returns.
10962	Providing for inspection of tax returns by the Advisory Commission on Intergovernmental Relations.
10963	Creating an emergency board to investigate railroad labor disputes.
10965	Creating an emergency board to investigate an airline labor dispute.
10969	Creating an emergency board to investigate a railroad labor dispute.
10971	Creating an emergency board to investigate an airline labor dispute.
10975	Creating an emergency board to investigate an airline labor dispute.
10976	Relating to working hours for employees of the National Aeronautics and Space Administration.
10984	Amending Selective Service regulations.
11006	Creating an emergency board to investigate an airline labor dispute.
11008	Creating an emergency board to investigate railroad labor disputes.
11011	Creating an emergency board to investigate an airline labor dispute.
11013	Creating a board of inquiry to report on a labor dispute affecting the maritime industry.
11015	Creating an emergency board to investigate railroad labor disputes.
11025	Creating a board of inquiry to report on a labor dispute affecting the aircraft industry.
11026	Amending Executive Order No. 11025 creating a board of inquiry to report on a labor dispute affecting the aircraft industry.
11027	Creating an emergency board to investigate a railroad labor dispute.
11029	Amending an order creating a board of inquiry to report on a labor dispute affecting the aircraft industry.
11033	Creating an emergency board to investigate airline labor disputes.
11040	Creating an emergency board to investigate a railroad labor dispute.
11042	Creating an emergency board to investigate a railroad labor dispute.
11043	Creating an emergency board to investigate an airline labor dispute.
11049	Providing for the carrying out of the Public Works Acceleration Act.
11050	Creating an emergency board to investigate railroad labor disputes.
11054	Creating a board of inquiry to report on labor disputes affecting the maritime industry.
11078	Creating a board of inquiry to report on a labor dispute affecting the ballistics missile, space vehicle, and military aircraft industry.
11086	Amending the administration of the Trading with the Enemy Act.
11098	Amending Selective Service regulations.
11101	Creating an emergency board to investigate railroad labor disputes.
11102	Providing for inspection of tax returns by possessions of the United States.
11105	Transferring to the Housing and Home Finance Administrator certain functions of the Atomic Energy Commission under the Atomic Energy Community Act of 1955.
11108	Delegating authority to the Secretary of Agriculture under the International Wheat Agreement Act of 1949.
11115	Creating an emergency board to investigate railroad labor disputes.

<i>No.</i>	<i>Subject</i>
11116	Prescribing and delegating authority to prescribe rates of charges for certain hospitalization and dispensary services.
11119	Amending Selective Service regulations.
11121	Creating an emergency board to investigate an airline labor dispute.
11127	Creating an emergency board to investigate a railroad labor dispute.
11131	Creating an emergency board to investigate airline labor disputes.
11135	Creating an emergency board to investigate railroad labor disputes.
11138	Modifying provisions for the transfer of personnel to certain public international organizations.
11147	Creating an emergency board to investigate railroad labor disputes.
11168	Creating an emergency board to investigate railroad labor disputes.
11169	Creating an emergency board to investigate railroad labor disputes.
11170	Creating an emergency board to investigate railroad labor disputes.
11171	Relating to the Canal Zone Merit System.
11180	Creating an emergency board to investigate railroad labor disputes.
11181	Creating a board of inquiry to report on labor disputes affecting the maritime industry.
11188	Amending Selective Service regulations.
11196	Providing for performance by the Housing and Home Finance Administrator of functions vested in or subject to the approval of the President.
11206	Providing for inspection of interest equalization tax returns.
11213	Providing for inspection of certain interest equalization tax information returns by the Board of Governors of the Federal Reserve System and the Federal Reserve Banks.
11237	Prescribing regulations for coordinating and planning and acquiring land under the Outdoor Recreation Program of the Department of the Interior and the Open Space Program of the Housing and Home Finance Agency.
11241	Amending Selective Service regulations.
11243	Creating an emergency board to investigate a railroad labor dispute.
11252	Transferring the functions of the Director of the Food-for-Peace Program to the Secretary of State.
11255	Designating Vietnam and waters adjacent thereto as an overseas combat area for purposes of Armed Forces mailing privileges.
11266	Amending Selective Service regulations.
11276	Creating an emergency board to investigate an airline labor dispute.
11284	Suspending provisions of sections 5701(a)(1) and 6371 of title 10, U.S.C., relating to continuation on the active list of rear admirals in the line of the Navy not restricted in the performance of duty.
11286	Designating the Department of Commerce as the Department through which the United States shall participate in the Inter-American Cultural and Trade Center in Dade County, Florida.
11291	Creating an emergency board to investigate an airline labor dispute.
11303	Modifying provisions for transfer of personnel to certain public international organizations.
11307	Coordinating Federal programs affecting agriculture and rural development.
11308	Creating an emergency board to investigate an airline labor dispute.
11314	Creating a board of inquiry to report on labor disputes affecting the military jet engine, military aircraft, military armament and military electronics industries.
11320	Delegating authority to prescribe rules and regulations relating to foreign gifts and decorations.
11321	Creating a board of inquiry to report on a labor dispute affecting the military aircraft engine industry.
11324	Creating an emergency board to investigate a railroad labor dispute.
11325	Prescribing Selective Service regulations.
11327	Assigning authority to order certain persons in the Ready Reserve to active duty.
11329	Creating a board of inquiry to report on a labor dispute affecting the shipbuilding and repair industries.
11343	Creating an emergency board to investigate a railroad labor dispute.

<i>No.</i>	<i>Subject</i>
11344	Creating a board of inquiry to report on a labor dispute affecting the military aircraft and military aircraft engine industries.
11350	Amending Selective Service regulations.
11356	Creating an emergency board to investigate a railroad labor dispute.
11360	Amending Selective Service regulations.
11386	Prescribing arrangements for coordination of the activities of regional commissions and activities of the Federal Government relating to regional economic development.
11387	Governing certain capital transfers abroad.
11391	Amending Selective Service regulations.
11422	Establishing the Cooperative Area Manpower Planning System affecting the aircraft industry.
11431	Creating a board of inquiry to report on labor disputes affecting the maritime industry.
11433	Creating an emergency board to investigate a railroad labor dispute.
11434	Relating to the administration of the Foreign Service personnel systems of the United States, and for other purposes.
11436	Suspending provisions of section 6372 of title 10, U.S.C., relating to retirement or retention on the active list of certain rear admirals in the Navy.
11442	Creating an emergency board to investigate a railroad labor dispute.
11443	Creating an emergency board to investigate railroad labor disputes.
11444	Creating an emergency board to investigate railroad labor disputes.
11445	Creating an emergency board to investigate railroad labor disputes.
11449	Relating to participation in the International Coffee Organization.
11452	Establishing the Council for Urban Affairs.
11486	Creating an emergency board to investigate railroad labor disputes.
11493	Establishing the Council for Rural Affairs.
11497	Amending Selective Service regulations.
11527	Amending Selective Service regulations.
11537	Amending Selective Service regulations.
11543	Creating an emergency board to investigate railroad labor disputes.
11553	Amending Selective Service regulations.
11555	Amending Selective Service regulations.
11558	Creating an emergency board to investigate railroad labor disputes.
11559	Creating an emergency board to investigate railroad labor disputes.
11563	Amending Selective Service regulations.
11569	Amending Selective Service regulations.
11574	Providing for administration of the Refuse Act Permit Program.
11585	Creating an emergency board to investigate railroad labor disputes.
11586	Amending Selective Service regulations.
11606	Amending Selective Service regulations.
11621	Creating a board of inquiry to report on labor disputes affecting the maritime industry.
11622	Amending an order creating a board of inquiry to report on labor disputes affecting the maritime industry.
11650	Providing for inspection of tax returns by certain persons and State and Federal establishments.
11663	Creating an emergency board to investigate railroad labor disputes.
11664	Creating an emergency board to investigate a railroad labor dispute.
11679	Creating an emergency board to investigate a railroad labor dispute.
11694	Creating an emergency board to investigate a railroad labor dispute.
11706	Providing for inspection of tax returns by U.S. Attorneys and Justice Department attorneys for grand jury proceedings and litigation.
11745	Creating an emergency board to investigate a railroad labor dispute.
11761	Facilitating the coordination of Federal education programs.
11771	Extending diplomatic privileges and immunities to the Liaison Office of the People's Republic of China in Washington, D.C.
11783	Creating an emergency board to investigate a railroad labor dispute.
11787	Relating to the adverse actions appeals system.
11788	Providing for termination of economic stabilization activities.

<i>No.</i>	<i>Subject</i>
11797	Delegating to the Secretary of Agriculture submission of an annual report to Congress on location of new Federal facilities in rural areas.
11805	Providing for inspection of tax returns by the President and certain employees of the White House Office.
11834	Activating the Energy Research and Development Administration and the Nuclear Regulatory Commission.
11836	Increasing the effectiveness of the Transportation Cargo Security Program.
11852	Creating an emergency board to investigate a railroad labor dispute.
11867	Delegating to the Administrator of General Services authority to issue joint funding regulations.
11871	Transferring the SCORE and ACE programs from ACTION to the Small Business Administration.
11876	Creating an emergency board to investigate a railroad labor dispute.
11896	Establishing the United States Sinai Support Mission.
11969	Providing for the administration of the Emergency Natural Gas Act of 1977.
12009	Providing for the effectuation of the Department of Energy Organization Act of 1977.
12040	Relating to the transfer of certain environmental evaluation functions.
12097	Establishing standards and guidelines for the merit selection of United States district judges.
12129	Establishing a Critical Energy Facility Program.
12140	Delegating authorities relating to motor gasoline end-user allocation.
12150	Relating to the United States Sinai Support Mission.
12153	Decontrolling heavy oil.
12162	Continuing the delegation of authorities relating to motor gasoline end-user allocation.
12184	Relating to the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research.
12186	Changing the definition of heavy oil.
12187	Providing for the base production control level for marginal properties.
12189	Relating to the definition of heavy oil.
12193	Providing for nuclear cooperation with EURATOM.
12209	Relating to the base production level for marginal properties.
12212	Providing for the effectuation of the Department of Education Organization Act.
12227	Relating to the United States Sinai Support Mission.
12244	Providing exemption for Fort Allen from compliance with the Federal Water Pollution Control Act.
12254	Establishing the National Advisory Community Investment Board.
12256	Providing for census statistics on legal immigrants.
12257	Providing for noncompetitive conversion of CETA participants to career or career-conditional civil service status.
12263	Delegating strategic and critical materials transaction authority to the United States Trade Representative.
12269	Establishing the President's Committee on Small Business Policy.
12270	Establishing the President's Council on Spinal Cord Injury.
12297	Executing the International Coffee Agreement of 1976.
12299	Terminating the President's Advisory Board on Ambassadorial Appointments.
12327	Exempting Fort Allen from pollution control statutes.
12351	Providing for nuclear cooperation with EURATOM.
12357	Phasing out the United States Sinai Support Mission.
12358	Establishing the Presidential Commission on Drunk Driving.
12370	Creating an emergency board to investigate a railroad labor dispute.
12373	Creating an emergency board to investigate a railroad labor dispute.
12376	Increasing membership on the Presidential Commission on Drunk Driving.
12384	Creating an emergency board to investigate a railroad labor dispute.
12385	Creating an emergency board to investigate a railroad labor dispute.
12386	Creating an emergency board to investigate a railroad labor dispute.
12390	Delegating a reporting function to the Secretary of State concerning U.S. credit to Poland.

No.	Subject
12392	Delegating authority to the Secretary of the Treasury to make payments to certain international financial institutions.
12393	Creating an emergency board to investigate a railroad labor dispute.
12397	Continuing the National Commission on Social Security Reform.
12398	Increasing membership and extending the President's Private Sector Survey on Cost Control in the Federal Government.
12402	Continuing the National Commission on Social Security Reform.
12405	Creating an emergency board to investigate a railroad labor dispute.
12408	Delegating responsibility for preparing reports on international organizations.
12409	Extending the period for nuclear cooperation with EURATOM.
12414	Creating an emergency board to investigate a railroad labor dispute.
12415	Continuing the Presidential Commission on Drunk Driving.
12427	Establishing the President's Advisory Council on Private Sector Initiatives.
12429	Continuing the President's Private Sector Survey on Cost Control in the Federal Government.
12434	Transferring responsibility for setting rates for the Alaska Railroad.
12440	Increasing the membership of the President's Commission on Industrial Competitiveness.
12442	Continuing the President's Commission on Indian Reservation Economies.
12447	Continuing the President's Private Sector Survey on Cost Control in the Federal Government.
12449	Continuing the National Bipartisan Commission on Central America.
12455	Continuing the President's Private Sector Survey on Cost Control in the Federal Government.
12457	Continuing the President's Commission on Industrial Competitiveness and increasing its membership.
12463	Extending the period for nuclear cooperation with EURATOM.
12476	Relating to the Presidential Commission on the Conduct of United States-Japan Relations.
12480	Creating an emergency board to investigate a railroad labor dispute.
12481	Creating an emergency board to investigate a railroad labor dispute.
12482	Continuing the President's Advisory Committee on Women's Business Ownership.
12486	Creating an emergency board to investigate a railroad labor dispute.
12491	Creating an emergency board to investigate a railroad labor dispute.
12492	Creating an emergency board to investigate a railroad labor dispute.
12495	Creating an emergency board to investigate a railroad labor dispute.

RONALD REAGAN

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The White House,  
February 25, 1986.

## White House Announcement of the Federal Productivity Improvement Program and Executive Order Revocation

February 25, 1986

The President today signed two Executive orders which will significantly improve Federal Government productivity. The first Order dedicates the Federal Government to a comprehensive program to improve productivity substantially by 1992, while the second revokes 386 obsolete and/or inactive Executive orders.

The goal of the first Executive order, en-

titled "Productivity Improvement Program for the Federal Government," is to achieve a 20-percent productivity increase in selected high-priority functions as a means of improving quality, timeliness, and efficiency of services Government provides to people. Every 1-percent increase in Federal productivity, which results in an estimated 1-percent reduction in Federal employment,

could generate actual savings of about \$1 billion, according to the General Accounting Office.

The Executive order will be followed closely by issuance of an Office of Management and Budget (OMB) bulletin containing detailed guidelines for developing, implementing, and assessing agency productivity improvement programs. Agencies' first plans describing how they will improve productivity, and in which areas, are due to OMB by March 31 as part of their annual management improvement plans. The President's Council on Management Improvement will play a major leadership role in implementing this governmentwide effort to boost productivity.

The Executive order recognizes that participation and support from Federal managers and employees are essential to meet the President's goals. The order requires measures to augment training in productivity techniques; to develop retraining and job placement alternatives; and to better use incentives, both monetary and nonmone-

tary, in order to reward and stimulate excellence. If a productivity enhancement is expected to result in a staff reduction, the OMB bulletin states that "the agency should ensure that all possible steps are taken to see that reductions occur through transfer and attrition and not through a reduction-in-force."

Issuance of the Executive order on productivity continues the momentum begun last July, when President Reagan asked Congress to pass a joint resolution declaring productivity improvement in the Federal sector a national priority.

In a somewhat related action, the President also signed a second Executive order which revokes 386 obsolete and/or inactive Executive orders—the largest number ever revoked at one time. Based on a study conducted by the President's Council on Management Improvement, the revocations will simplify and clarify requirements placed on departments by the central management agencies of Government (General Services Administration, OMB, and Office of Personnel Management).

## **Nomination of John O. Laird To Be a Member of the National Advisory Council on Women's Educational Programs**

*February 25, 1986*

The President today announced his intention to nominate John O. Laird to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1988. He would succeed Eunice S. Thomas.

Since 1984 Mr. Laird has been serving as director of financial aid at the University of

Wisconsin at River Falls. Previously he was assistant director of financial aid and director of student employment at the University of Wisconsin at River Falls (1978–1984).

He graduated from the University of Wisconsin-Eau Claire (B.A., 1972). He is married and resides in Menomonie, WI. He was born January 10, 1948, in Marshfield, WI.

## **Nomination of Phyllis P. Berney To Be a Member of the National Council on the Arts**

*February 25, 1986*

The President today announced his intention to nominate Phyllis P. Berney to be a member of the National Council on the Arts, National Foundation on the Arts and the Humanities, for a term expiring September 3, 1990. She would succeed Norman B. Champ, Jr.

Mrs. Berney serves as a member of the Wisconsin Arts Board and is chairperson of the board's education and visual arts com-

mittees. She is also the outreach coordinator for the University of Wisconsin-Eau Claire Foster Art Gallery. In 1979-1981 she was a member of the board of directors of the Greater Twin Cities Youth Symphony.

She attended Ohio State University and the University of Minnesota. She is married, has four children, and resides in Eau Claire, WI. She was born June 29, 1935, in Richmond, VA.

## **Remarks at a White House Meeting With the Board of Directors of the United States Institute of Peace**

*February 26, 1986*

Well, congratulations on getting underway with work of the new U.S. Institute of Peace. This Institute, we think, will be a valuable source of scholarly research and information on ways in which we can promote peace with freedom. As Abraham Lincoln reminded us in his second inaugural address: "We must do all which may achieve a just and lasting peace with all nations." We should always remember that peace follows in freedom's path and that conflicts erupt when the democratic will of the people is denied. History shows that democratic nations are naturally peaceful and nonaggressive. Democracies take up arms only in self-defense. I have always put in a sentence that people don't start wars, governments do.

Fundamental conflicts between freedom and tyranny cannot be papered over by treaties. True peace will always demand clear-eyed, rock-hard realism and an enduring commitment to the values of political and economic freedom that have guided our great nation for more than two centuries. Thus, the surest way to strengthen the foundation of peace is to support the growth of democracy and gain full respect for human rights. Supporting a spread of democracy means providing assistance to

the brave men and women who today struggle to achieve a free and democratic society and rid their homelands of foreign-supported tyrannies. It also means fighting to help overcome the poverty in underdeveloped countries that breeds violence and radicalism. Free market economic policies, policies that are proven effective in spurring growth and prosperity around the globe, can play a vital role in building democracy. But above all, it means keeping America's defenses strong and ready.

As I intend to tell the Nation tonight, a strong national defense for the United States is not only indispensable to arms control but for the security, freedom, and peace of the entire world. A real and secure peace depends on us, on our courage to build it and guard it and pass it on to future generations. George Washington's words ring just as true today: "To be prepared for war," he said, "is one of the most effective means of preserving peace." American strength is a sheltering arm for peace and freedom in an often dangerous world. And strength is the most persuasive argument we have to convince our adversaries to give up their hostile intentions, to negotiate seriously, and to stop bullying other nations. In

the real world, peace through strength must be our motto.

As you begin your work for peace in the great American tradition, you have my best wishes and those of the American people.

And I thank you all for what you're doing and for being here.

*Note: The President spoke at 11:48 a.m. in the Cabinet Room at the White House.*

## Address to the Nation on National Security February 26, 1986

### *My fellow Americans:*

I want to speak to you this evening about my highest duty as President: to preserve peace and defend these United States.

But before I do, let me take a moment to speak about the situation in the Philippines. We've just seen a stirring demonstration of what men and women committed to democratic ideas can achieve. The remarkable people of those 7,000 islands joined together with faith in the same principles on which America was founded: that men and women have the right to freely choose their own destiny. Despite a flawed election, the Filipino people were understood. They carried their message peacefully, and they were heard across their country and across the world. We salute the remarkable restraint shown by both sides to prevent bloodshed during these last tense days. Our hearts and hands are with President Aquino and her new government as they set out to meet the challenges ahead. Today the Filipino people celebrate the triumph of democracy, and the world celebrates with them.

One cannot sit in this office reviewing intelligence on the military threat we face, making decisions from arms control to Libya to the Philippines, without having that concern for America's security weigh constantly on your mind. We know that peace is the condition under which mankind was meant to flourish. Yet peace does not exist of its own will. It depends on us, on our courage to build it and guard it and pass it on to future generations. George Washington's words may seem hard and cold today, but history has proven him right again and again. "To be prepared for war," he said, "is one of the most effective means

of preserving peace." Well, to those who think strength provokes conflict, Will Rogers had his own answer. He said of the world heavyweight champion of his day: "I've never seen anyone insult Jack Dempsey."

The past 5 years have shown that American strength is once again a sheltering arm for freedom in a dangerous world. Strength is the most persuasive argument we have to convince our adversaries to negotiate seriously and to cease bullying other nations. But tonight the security program that you and I launched to restore America's strength is in jeopardy, threatened by those who would quit before the job is done. Any slackening now would invite the very dangers America must avoid and could fatally compromise our negotiating position. Our adversaries, the Soviets—we know from painful experience—respect only nations that negotiate from a position of strength. American power is the indispensable element of a peaceful world; it is America's last, best hope of negotiating real reductions in nuclear arms. Just as we are sitting down at the bargaining table with the Soviet Union, let's not throw America's trump card away.

We need to remember where America was 5 years ago. We need to recall the atmosphere of that time: the anxiety that events were out of control, that the West was in decline, that our enemies were on the march. It was not just the Iranian hostage crisis or the Soviet invasion of Afghanistan but the fear felt by many of our friends that America could not, or would not, keep her commitments. Pakistan, the country most threatened by the Afghan invasion, ridiculed the first offer of American aid as



"peanuts." Other nations were saying that it was dangerous—deadly dangerous—to be a friend of the United States.

It was not just years of declining defense spending but a crisis in recruitment and retention and the outright cancellation of programs vital to our security. The Pentagon horror stories at the time were about ships that couldn't sail, planes that couldn't fly for lack of spare parts, and army divisions unprepared to fight. And it was not just a one-sided arms agreement that made it easy for one side to cheat but a treaty that actually permitted increases in nuclear arsenals. Even supporters of SALT II were demoralized, saying, "Well, the Soviets just won't agree to anything better." And when President Carter had to abandon the treaty because Senate leaders of his own party wouldn't support it, the United States was left without a national strategy for control of nuclear weapons.

We knew immediate changes had to be made. So, here's what we did: We set out to show that the long string of governments falling under Communist domination was going to end, and we're doing it. In the 1970's one strategic country after another fell under the domination of the Soviet Union. The fall of Laos, Cambodia, and South Vietnam gave the Soviet Union a strategic position on the South China Sea. The invasion of Afghanistan cut nearly in half Soviet flying time to the Persian Gulf. Communist takeovers in South Yemen and Ethiopia put the Soviets astride the Red Sea, entryway to the Suez Canal. Pro-Soviet regimes in Mozambique and Angola strengthened the Soviet position in southern Africa. And finally, Grenada and Nicaragua gave Moscow two new beachheads right on the doorstep of the United States.

In these last 5 years, not one square inch of territory has been lost, and Grenada has been set free. When we arrived in 1981, guerrillas in El Salvador had launched what they called their final offensive to make that nation the second Communist state on the mainland of North America. Many people said the situation was hopeless; they refused to help. We didn't agree; we did help. And today those guerrillas are in retreat. El Salvador is a democracy, and freedom fighters are challenging Communist

regimes in Nicaragua, Afghanistan, Angola, Cambodia, and Ethiopia.

We set out to show that the Western alliance could meet its security needs, despite Soviet intimidation, and we're doing it. Many said that to try to counter the Soviet SS-20 missiles would split NATO because Europe no longer believed in defending itself. Well, that was nonsense. Today Pershing and cruise missile deployments are on schedule, and our allies support the decision.

We set out to reverse the decline in morale in our Armed Forces, and we're doing it. Pride in our Armed Forces has been restored. More qualified men and women want to join and remain in the military. In 1980 about half of our Army's recruits were high school graduates; last year 91 percent had high school diplomas. Our Armed Forces may be smaller in size than in the 1950's, but they're some of the finest young people this country has ever produced. And as long as I'm President, they'll get the quality equipment they need to carry out their mission.

We set out to narrow the growing gaps in our strategic deterrent, and we're beginning to do that. Our modernization program—the MX, the Trident submarine, the B-1 and Stealth bombers—represents the first significant improvement in America's strategic deterrent in 20 years. Those who speak so often about the so-called arms race ignore a central fact: In the decade before 1981, the Soviets were the only ones racing.

During my 1980 campaign, I called Federal waste and fraud a national scandal. We knew we could never rebuild America's strength without first controlling the exploding cost of defense programs, and we're doing it. When we took office in 1981, costs had been escalating at an annual rate of 14 percent. Then we began our reforms. And in the last 2 years, cost increases have fallen to less than 1 percent. We've made huge savings. Each F-18 fighter costs nearly \$4 million less today than in 1981. One of our air-to-air missiles costs barely half as much.

Getting control of the defense bureaucracy is no small task. Each year the Defense Department signs hundreds of thousands of contracts. So, yes, a horror story will some-

times turn up despite our best efforts. That's why we appointed the first Inspector General in the history of the Defense Department. And virtually every case of fraud or abuse has been uncovered by our Defense Department, our Inspector General. Secretary Weinberger should be praised, not pilloried, for cleaning the skeletons out of the closet. As for those few who have cheated taxpayers or have swindled our Armed Forces with faulty equipment, they are thieves stealing from the arsenal of democracy, and they will be prosecuted to the fullest extent of the law.

Finally, we set out to reduce the danger of nuclear war. Here, too, we're achieving what some said couldn't be done. We've put forth a plan for deep reductions in nuclear systems. We're pushing forward our highly promising Strategic Defense Initiative [SDI], a security shield that may one day protect us and our allies from nuclear attack, whether launched by deliberate calculation, freak accident, or the isolated impulse of a madman. Isn't it better to use our talents and technology to build systems that destroy missiles, not people?

Our message has gotten through. The Soviets used to contend that real reductions in nuclear missiles were out of the question. Now they say they accept the idea. Well, we shall see. Just this week, our negotiators presented a new plan for the elimination of intermediate-range nuclear missiles, and we're pressing the Soviets for cuts in other offensive forces as well. One thing is certain: If the Soviets truly want fair and verifiable agreements that reduce nuclear forces, we will have those agreements.

Our defense programs 5 years ago were immense, and drastic action was required. Even my predecessor in this office recognized that and projected sizable increases in defense spending. And I'm proud of what we've done. Now the biggest increases in defense spending are behind us. And that's why last summer I agreed with Congress to freeze defense funding for 1 year and after that to resume a modest 3-percent annual growth. Frankly, I hesitated to reach this agreement on a freeze because we still have far too much to do. But I thought that congressional support for steady increases over several years was a step forward.

But this didn't happen. Instead of a freeze, there was sharp cut, a cut of over 5 percent. And some are now saying that we need to chop another 20, 30, or even \$50 billion out of national defense. This is reckless, dangerous, and wrong. It's backsliding of the most irresponsible kind, and you need to know about it. You, after all, paid the bill for all we've accomplished these past 5 years. But we still have a way to go. Millions of Americans actually believe that we are now superior to the Soviet Union in military power. Well, I'm sorry, but if our country's going to have a useful debate on national security, we have to get beyond the drumbeat of propaganda and get the facts on the table.

Over the next few months, you'll be hearing this debate. I'd like you to keep in mind the two simple reasons not to cut defense now: one, it's not cheap; two, it's not safe. If we listen to those who would abandon our defense program, we will not only jeopardize negotiations with the Soviet Union; we may put peace itself at risk.

I said it wouldn't be cheap to cut. How can cutting not be cheap? Well, simple. We tried that in the seventies, and the result was waste, enormous waste—hundreds of millions of dollars lost because the cost of each plane and tank and ship went up—often, way up. The old shoppers' adage proved true: They are cheaper by the dozen.

Arbitrary cuts only bring phony savings, but there's a more important reason not to abandon our defense program. It's not safe. Almost 25 years ago, when John Kennedy occupied this office during the Cuban missile crisis, he commanded the greatest military power on Earth. Today we Americans must live with a dangerous new reality. Year in and year out, at the expense of its own people, the Soviet leadership has been making a relentless effort to gain military superiority over the United States.

Between 1970 and 1985 alone, the Soviets invested \$500 billion more than the United States in defense and built nearly three times as many strategic missiles. As a consequence of their enormous weapons investment, major military imbalances still exist between our two countries. Today the

Soviet Union has deployed over 1½ times as many combat aircraft as the United States, over 2½ times as many submarines, over 5 times as many tanks, and over 11 times as many artillery pieces.

We have begun to close some of these gaps, but if we're to regain our margins of safety, more must be done. Where the Soviets once relied on numbers alone, they now strive for both quantity and quality. We anticipate that over the next 5 years they will deploy on the order of 40 nuclear submarines, 500 new ballistic missiles, and 18,000 modern tanks. My 5-year defense budget maintains our commitment to America's rebuilding program. And I'm grateful that Secretary Weinberger is here to fight for that program with all the determination and ability he has shown in the past.

But my budget does not call for matching these Soviet increases. So one question must be asked: Can we really afford to do less than what I've proposed? Today we spend a third less of our gross national product on defense than under John Kennedy, yet some in Congress talk of even deeper cuts. Barely 6 percent of our nation's gross national product—that's all we invest to keep America free, secure, and at peace. The Soviets invest more than twice as much. But now strip away spending on salaries, housing, dependents, and the like and compare. The United States invests on actual weapons and research only 2.6 percent of our gross national product, while the Soviet Union invests 11 percent on weapons, more than 4 times as much. This is the hard, cold reality of our defense deficit.

But it's not just the immense Soviet arsenal that puts us on our guard. The record of Soviet behavior, the long history of Soviet brutality toward those who are weaker, reminds us that the only guarantee of peace and freedom is our military strength and our national will. The peoples of Afghanistan and Poland, of Czechoslovakia and Cuba, and so many other captive countries—they understand this.

Some argue that our dialog with the Soviets means we can treat defense more casually. Nothing could be farther from the truth. It was our seriousness about defense that created the climate in which serious talks could finally begin. Now that the Soviets

are back at the table, we must not undercut our negotiators. Unfortunately, that's exactly what some Members of Congress have done. By banning any U.S. tests of antisatellite systems, Congress not only protected a Soviet monopoly, it unilaterally granted the Soviets a concession they could not win at the bargaining table.

So, our defense program must rest on these principles. First, we must be smart about what we build. We don't have to copy everything the Soviets do. We don't have to compete on Soviet terms. Our job is to provide for our security by using the strengths of our free society. If we think smart enough, we don't have to think quite so big. We don't have to do the job with large numbers and brute force. We don't have to increase the size of our forces from 2 million to their 5 million as long as our military men and women have the quality tools they need to keep the peace. We don't have to have as many tanks as the Soviets as long as we have sophisticated antitank weapons.

Innovation is our advantage. One example: Advances in making airplanes and cruise missiles almost invisible to Soviet radar could neutralize the vast air defense systems upon which the Soviets and some of their most dangerous client states depend. But innovation is not enough. We have to follow through. Blueprints alone don't deter aggression. We have to translate our lead in the lab to a lead in the field. But when our budget is cut, we can't do either.

Second, our security assistance provides as much security for the dollar as our own defense budget. Our friends can perform many tasks more cheaply than we can. And that's why I can't understand proposals in Congress to sharply slash this vital tool. Military assistance to friends in strategic regions strengthens those who share our values and interests. And when they are strong, we're strengthened. It is in our interest to help them meet threats that could ultimately bring harm to us as well.

Third, where defense reform is needed, we will pursue it. The Packard Commission we created will be reporting in 2 days. We hope they will have ideas for new approaches that give us even better ways to

buy our weapons. We're eager for good ideas, for new ideas—America's special genius. Wherever the Commission's recommendations point the way to greater executive effectiveness, I will implement them, even if they run counter to the will of the entrenched bureaucracies and special interests. I will also urge Congress to heed the Commission's report and to remove those obstacles to good management that Congress itself has created over the years.

The fourth element of our strategy for the future is to reduce America's dependence on nuclear weapons. You've heard me talk about our Strategic Defense Initiative, the program that could one day free us all from the prison of nuclear terror. It would be pure folly for the United States not to press forward with SDI, when the Soviets have already invested up to 20 years on their own program. Let us not forget that the only operational missile defense in the world today guards the capital of the Soviet Union, not the United States.

But while SDI offers hope for the future, we have to consider today's world. For too long, we and our allies have permitted nuclear weapons to be a crutch, a way of not having to face up to real defense needs. We must free ourselves from that crutch. Our goal should be to deter and, if necessary, to repel any aggression without a resort to nuclear arms. Here, again, technology can provide us with the means not only to respond to full-scale aggression but to strike back at terrorists without harming innocent civilians. Today's technology makes it possible to destroy a tank column up to 120 miles away without using atomic weapons. This technology may be the first cost-effective conventional defense in postwar history against the giant Red army. When we fail to equip our troops with these modernized systems, we only increase the risk that we may one day have to resort to nuclear

weapons.

These are the practical decisions we make when we send a defense budget to Congress. Each generation has to live with the challenges history delivers, and we can't cope with these challenges by evasion. If we sustain our efforts now, we have the best chance in decades of building a secure peace. That's why I met with General Secretary Gorbachev last year, and that's why we're talking to the Soviets today, bargaining—if Congress will support us—from strength.

We want to make this a more peaceful world. We want to reduce arms. We want agreements that truly diminish the nuclear danger. We don't just want signing ceremonies and color photographs of leaders toasting each other with champagne. We want more. We want real agreements, agreements that really work, with no cheating. We want an end to state policies of intimidation, threats, and the constant quest for domination. We want real peace.

I will never ask for what isn't needed; I will never fight for what isn't necessary. But I need your help. We've come so far together these last 5 years; let's not falter now. Let's maintain that crucial level of national strength, unity, and purpose that has brought the Soviet Union to the negotiating table and has given us this historic opportunity to achieve real reductions in nuclear weapons and a real chance at lasting peace. That would be the finest legacy we could leave behind for our children and for their children.

Thank you. God bless you, and good night.

*Note: The President spoke at 8 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.*

## Remarks Following Discussions With President Paul Biya of Cameroon

February 27, 1986

*President Reagan.* It's been a pleasure to have as our guest President Biya of Cameroon. President Biya's visit is a milestone in the excellent relationship between our two countries. Our discussions were warm and frank, reflecting the good will between us and our countries as well. And I'm pleased to take this opportunity to announce that yesterday a bilateral investment treaty was signed by our governments. President Biya and I are convinced this treaty will spur economic growth and greatly benefit our peoples.

Cameroon, like the United States, is blessed with rich natural resources, a vibrant private sector, and a diverse, industrious population. But resources alone do not guarantee progress, either in economic or political terms; it takes sound, dedicated leadership. President Biya exemplifies this with his energetic commitment to national unity, reconciliation, and the liberalization of his country's political institutions.

Today it's becoming ever more clear to the emerging nations in Africa that Marxist and rigid statist models of development simply don't work. Instead of economic development, political freedom, and national stability, Marxism, an ideology totally alien to African aspirations, has produced nothing but deprivation, tyranny, and conflict.

Cameroon is a shining example of how much can be accomplished when a more realistic and humane approach is taken to political and economic development. By allowing free rein of the enterprise and talents of the people and by providing incentives for them to work and earn, last year Cameroon's economy grew at an annual rate of over 6 percent. Its per capita income is among the highest in black Africa. President Biya's government enjoys a balanced budget, and his country, thanks to the growing vigor of the private sector, is essentially self-sufficient in food. In short, President Biya's wise policies have been a boon to his people.

The President is a highly respected

leader in Africa. And today I sought his advice on a wide range of issues. We discussed our mutual concern about international terrorism and about aggression directed against some sub-Saharan States, especially Chad. We agreed on the importance of working together and with other friends countering these dangers.

The United States and Cameroon have for several decades enjoyed a high level of cooperation. Today we have reaffirmed our intention to continue reinforcing our positive and constructive relationship. All Americans wish President Biya continued success in his efforts to build a prosperous and democratic Cameroon. And we wish him Godspeed on his journey home.

*President Biya.* President Reagan and myself have just had a meeting marked by cordiality and mutual understanding. We have looked at the economic and political situation of Cameroon. President Reagan is very much aware of the progress we have made. Our domestic policies are based on a free market economy and democracy for most personal initiative and the creation of new businesses. Our growth rate has increased considerably. We have opened our borders to foreign investors, and we have excellent relations with the Western nations.

The most important conclusion of our meeting is that there is a strong convergence of views between our two countries, because, like you, we hold particularly dear ideals of peace, liberty, democracy, progress, and moral values, as well as social justice. Like you, we, too, condemn apartheid and nonrespect of the freedom of the Namibian people. I sincerely hope that once again the influence of your nation will help resolve these problems, which are a threat to human dignity. Like you, we condemn violence and terrorism throughout the world. We have opted in favor of a dialog in peace and balance. And we have strengthened our links to other African countries so that together we can make

progress.

As I said, our ideas converge on many levels. And my presence here attests that we want to strengthen the ties between our two countries, and we want to strengthen bilateral cooperations. And we already have about 100 American firms established in our country. Our nation is bilingual—English and French—and is, therefore, fertile ground for American investors. Our two governments have signed an agreement on the reciprocal protection of investments, which will certainly encourage them. Assistance from the American Government has been of a great help to us, particularly in the fields of agriculture, education, and health. We do appreciate the contribution of the United States to our social life and hope that the number of cultural exchange programs will increase. Since our foreign

policy is based on international cooperation, we count very much on the United States. Our relations are characterized by mutual friendship. I hope the United States will help defend our ideals of peace and freedom, which are often threatened in Africa. Your nation and President have our total confidence. We congratulate President Reagan on his meeting in Geneva with Mr. Gorbachev.

Thank you for your attention.

*Note: President Reagan spoke to reporters at 1:30 p.m. at the South Portico of the White House. President Biya spoke in French, which was translated by an interpreter, and English. Earlier, the two Presidents met in the Oval Office and then attended a luncheon in the Residence.*

## Statement on Signing the Federal Employees Benefits Improvement Act of 1986

*February 27, 1986*

Today I am signing H.R. 4061, the Federal Employees Benefits Improvement Act of 1986. H.R. 4061 changes the Federal employees' health benefits law, as recommended by my administration, to allow rebates of health insurance premiums to be paid by insurance carriers to Federal annuitants, as is already permitted for current employees. It is gratifying for me to be able to sign this legislation so that Federal annuitants can receive their health insurance rebates without further delay.

I congratulate the Congress on enacting acceptable legislation to accomplish this change so quickly after my veto of H.R. 3384 last month. Like H.R. 4061, H.R. 3384 would have authorized premium rebates for Federal annuitants. However, I could not approve that bill, particularly because it contained a seriously objectionable provision that would have eliminated the current

75-percent limit on the Government contribution to any health insurance plan for Federal employees and annuitants. That provision would have been too costly over the next few years, contrary to our efforts to achieve a balanced budget by 1991.

I am very pleased that the Congress has dropped this expensive provision, and I urge the Congress now to turn its attention to the structural reforms in the Federal Employees Health Benefits Program proposed by the administration. These changes would encourage greater competition and choice of health plans for employees, restructure the formula for determining the Government's share of enrollee premiums, and decrease government intrusion in the program.

*Note: H.R. 4061, approved February 27, was assigned Public Law No. 99-251.*

## Remarks on Receiving the Recommendations of the President's Blue Ribbon Commission on Defense Management February 28, 1986

*The President.* Well, good morning, Dave and ladies and gentlemen. And I appreciate you coming over this morning to present your recommendations. And I know you've all worked hard and—very hard, as a matter of fact—and I'm glad that your report is bipartisan and unanimous. I've met with Dave over the past few weeks, and he's kept me apprised of your progress. And I'm pleased to say that your work may well be the most comprehensive bipartisan review of the Defense Establishment since World War II. And I plan to review your recommendations in detail, and I will act promptly and firmly to take appropriate implementation actions. And I hope that the Congress will join me and do their part, as well.

And now, Dave, the spotlight is on you.

*Chairman Packard.* Well, Mr. President, it is a great honor for me to present this report to you that contains our first set of recommendations. And I speak on behalf of all the Commission to say that we've been very honored to have the opportunity to help you and Secretary [of Defense] Weinberger in this very important job of getting the most defense we can from the billions of dollars that are being spent. And we know that you and the Secretary have made a great deal of progress in the past 5 years in moving ahead toward that end. And I want to tell you that this Commission has worked very hard and that every single member of the Commission has made an important contribution in developing these recommendations that we are presenting to you today. And we hope very much that these recommendations will help you and the Secretary continue this important job to improve the strength and the readiness of our Armed Forces so that they can continue to be the bulwark of freedom and peace in this troubled world of ours.

*The President.* Dave, I thank you very much. And as I said on Wednesday, the Commission's recommendations point the way and—been looking forward to getting

into this—and I'll implement the recommendations that are in here just as quickly as it can be done, even if they run counter to the will of the entrenched bureaucracies and special interests. And I will also urge Congress to read the Commission's report and to remove those obstacles to good management that the Congress itself has created over the years. And, again, I thank you all for all the work that you've done.

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*Reporter.* Mr. President, how much waste is there in the current system?

*The President.* Pardon?

*Q.* How much waste is there in the current system, Mr. President?

*The President.* There is a lot less waste than there was when we came here. And there will be even less as we go forward, as Mr. Packard has told you, with the recommendations that are in here and that he himself has said follow the pattern of things that have already been started.

*Q.* Mr. President, there are reports that President Marcos has brought millions of dollars worth of currency and jewelry to Hawaii from the Philippines. Is that appropriate considering the economic problems there?

*The President.* Again, I think that there's no way for us to know anything about this. This is up to the Government of the Philippines and the people of the Philippines. But I think now we've got to get on with some more meetings.

*Q.* Should Mrs. Aquino have released the Marxist leader in the Philippines, Mr. President?

*The President.* Pardon?

*Q.* Should Mrs. Aquino have released the Marxist leader, the leader of the Marxist movement in the Philippines?

*The President.* I don't know. I really don't know.

*Note: The President spoke at 9:50 a.m. in the Cabinet Room at the White House.*

## Proclamation 5445—Red Cross Month, 1986 February 28, 1986

*By the President of the United States  
of America*

### *A Proclamation*

In cities, towns, and rural communities across our Nation, Americans have turned time and again to the American Red Cross for help. And they have not been disappointed. Acting as a conduit for the generous outpouring of time, money, and voluntarily donated blood, the Red Cross has been there whenever needed throughout the past year.

During 1985, an unprecedented series of violent storms, including hurricanes and tornadoes, smashed across our Nation. The Red Cross responded by providing immediate emergency assistance to more than four million Americans displaced by these storms. In small towns and large cities, the Red Cross responded on more than 60,000 occasions to Americans in need, and to families whose homes were damaged or destroyed by fire, flood, or storm. Due to the unprecedented demand for assistance to disaster victims here in our Nation, the funds available to the Red Cross for such vital work have been totally depleted, and yet that magnificent organization continues to provide emergency assistance to individuals and families in need all across America.

The American Red Cross also played an active role as part of an international effort in the harrowing drama of the American travelers hijacked in Beirut, relaying messages from the prisoners to families back home and insuring their safe conduct out of Lebanon. Our Red Cross quickly and efficiently mobilized support for the victims of the terrible Mexico City earthquake and the Colombian volcano eruption, in conjunction with the International Red Cross, while continuing the vital work of feeding and providing medical care for millions of victims of drought and famine in Africa.

As the collector, processor, and distributor of more than half of the Nation's voluntarily donated blood, the American Red

Cross took the lead in implementing HTLV-III antibody testing, adding significantly to the effectiveness of recruitment and screening practices already in effect that protect more than one-and-a-half-million recipients of blood and blood products from exposure to the deadly AIDS virus.

All of this was accomplished without the Red Cross cutting back on any of its continuing heavy responsibilities. Millions of our fellow citizens were taught lifesaving techniques in CPR (cardio-pulmonary resuscitation), first aid, water safety, and small craft operation. More than half-a-million emergency messages were relayed worldwide between members of our Armed Forces and their loved ones back home. Nearly six million individuals were served at Red Cross blood pressure screenings and aid stations.

Providing the most efficient and effective help in times of emergency and disaster is an enormous task. But since its founding by Clara Barton in 1881 the American Red Cross has met the challenge. It has been able to do so only because millions of Americans have volunteered their money, time, and their hearts so that those services will always be available.

Now, Therefore, I, Ronald Reagan, President of the United States of America, and Honorary Chairman of the American National Red Cross, do hereby designate March 1986 as Red Cross Month, and I urge all Americans to give generous support to the work of the American Red Cross and to their local Red Cross chapters.

*In Witness Whereof*, I have hereunto set my hand this twenty-eighth day of February, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4 p.m., February 28, 1986]*



## Letter to the Speaker of the House and the President of the Senate on Nuclear Cooperation With EURATOM

*February 28, 1986*

*Dear Mr. Speaker: (Dear Mr. President:)*

The United States has been engaged in nuclear cooperation with the European Community for many years. This cooperation was initiated under agreements concluded over two decades ago between the United States and the European Atomic Energy Community (EURATOM) which extend until December 31, 1995. Since the inception of this cooperation, the Community has adhered to all its obligations under those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act to establish new nuclear export criteria, including a requirement that the United States have a right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a proviso was included in the law to enable continued cooperation until March 10, 1980, if EURATOM agreed to negotiations concerning our cooperation agreements, which it did.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would prejudice seriously the achievement of United States non-proliferation objectives or otherwise jeopardize the common defense and security, and after notification to the Congress. President Carter made such a determination six years ago and signed Executive Order 12193, permitting continued nuclear cooperation with EURATOM until March 10, 1981. Subsequent determinations have permitted continued nuclear cooperation through March 10, 1986.

In addition to numerous informal contacts, the United States has engaged in nine rounds of talks with EURATOM regarding the renegotiation of the U.S.-EURATOM agreements for cooperation. These were conducted in November 1978, September 1979, April 1980, January 1982, November 1983, March 1984 and May, September and November 1985. The European Community is now considering U.S. proposals relating to our cooperation agreements, and further progress in the talks is anticipated this year.

I believe that it is essential that cooperation between the United States and the Community continue and, likewise, that we work closely with our allies to counter the threat of nuclear explosives proliferation. A disruption of nuclear cooperation would not only eliminate any chance of progress in our talks with EURATOM related to our agreements, it would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of the United States non-proliferation objectives and would jeopardize the common defense and security of the United States. I intend to sign an Executive Order to extend the waiver of the application of the relevant export criterion of the Nuclear Non-Proliferation Act for an additional twelve months from March 10, 1986.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.*

## **Executive Order 12554—Nuclear Cooperation With EURATOM** *February 28, 1986*

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 126a(2) of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2155(a)(2)), and having determined that, upon the expiration of the period specified in the first proviso to Section 126a(2) of such Act and extended by Executive Orders No. 12193, 12295, 12351, 12409, 12463, and 12506, failure to continue peaceful nuclear cooperation with the European Atomic Energy Community would be seriously prejudicial to the achievement of the United States

non-proliferation objectives and would otherwise jeopardize the common defense and security of the United States, and having notified the Congress of this determination, I hereby extend the duration of that period to March 10, 1987.

RONALD REAGAN

The White House,  
February 28, 1986.

*[Filed with the Office of the Federal Register, 3:59 p.m., February 28, 1986]*

## **Nomination of Joseph Trippe Nall To Be a Member of the National Transportation Safety Board** *February 28, 1986*

The President today announced his intention to nominate Joseph Trippe Nall to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1987. He would succeed Vernon L. Grose.

Mr. Nall is in the private practice of law in Smithfield, NC. Previously he was with the firm of Mast, Tew, Nall & Lucas in Smithfield. He was president of the Johnston County Bar Association and the Elev-

enth Judicial District Bar Association in 1984-1985. He served as chairman and director of the Johnston County Board of Social Service in 1976-1982.

He graduated from Furman University (B.A., 1964), Southeastern Baptist Theological Seminary (master of divinity, 1964), and Wake Forest Law School (J.D., 1973). He is married, has two children, and resides in Smithfield, NC. He was born May 16, 1942, in Atlanta, GA.

## **Nomination of John A. Pendergrass To Be an Assistant Secretary of Labor** *February 28, 1986*

The President today announced his intention to nominate John A. Pendergrass to be an Assistant Secretary of Labor (Occupational Safety and Health). He would succeed Robert A. Rowland.

Mr. Pendergrass is currently serving as manager for hazards awareness products in

the occupational health and safety products division of the 3M Co. He has been with the 3M Co. since 1964, serving most recently as manager for industry hygiene litigation, manager of the specialty consulting service, and industrial hygienist to the associate director.

Mr. Pendergrass graduated from the University of Alabama (B.S.) and the University of Michigan (M.P.H.). He is married, has

three children, and resides in White Bear Lake, MN. He was born August 31, 1925, in Valley Head, AL.

## **Statement on the Death of Prime Minister Olof Palme of Sweden *February 28, 1986***

I have learned with great shock of the tragic death of Swedish Prime Minister Olof Palme. My sorrow in the face of this senseless act of violence is profound. Olof Palme was one of the world's most respected leaders, a man who made compassion the hallmark of Swedish policy. The world will re-

member him for his devotion to democratic values and his untiring efforts to promote peace. I offer my most sincere condolences to the family of Prime Minister Palme and to the Swedish people in their hour of grief. I also pray for the speedy recovery of Mrs. Palme.

## **Radio Address to the Nation on the Defense Budget *March 1, 1986***

### ***My fellow Americans:***

Last Wednesday I addressed the Nation on the state of our national defense. I spoke of our commitment to an historic rebuilding program that has lifted America up out of weakness and given us the strength and confidence to reassume our role as leader of the free world. In a world too often prey to the forces of violence and tyranny, America is once again a bulwark for peace and freedom. We've come far, I said, in building the solid foundations of a strong and secure national defense, but we have not finished the job. We must not let all that we've accomplished in the last 5 years be undermined by careless slashing at the defense budget. America must never again slide back into helpless insecurity. America must never become, as it looked like it was becoming in the late seventies, a paper tiger.

My foremost responsibility is our national security, just as it is the prime duty of Congress to appropriate the necessary resources to keep our defenses strong. This is our duty, not only to America but to the cause of human freedom. It's also our job to make sure that every tax dollar we spend, we spend well. Defending freedom over the long haul requires that we get, as it is some-

times put, "the most bang for every buck."

Defense Secretary Weinberger has already made great strides. Before we came into office, defense costs had been out of control, escalating at an annual rate of 14 percent. We got them under control. For the last 2 years, cost increases have fallen to less than 1 percent, significantly lower than the rate of inflation. We have saved billions, and in the process we've built the most effective fighting force in the world. But there's still more we can do. As we continue rebuilding our defenses, we must constantly look for new savings. We must, if necessary, restructure the less efficient parts of our defense program so that waste is designed out and cost-effectiveness is designed in.

Last summer I appointed a bipartisan commission to study ways that we can redesign defense appropriations and management to make every defense dollar go as far as it possibly can. To head the Commission, I chose Dave Packard, an entrepreneur and self-made man who started Hewlett-Packard in a garage in the 1930's and built it into one of our country's leading high-tech computer and electronics companies. Dave is world famous for his management skill,

and his company is renowned for its efficiency and modern management techniques. The initial recommendations came in this week. They are a tremendous example of American know-how applied to an extremely complex and difficult problem. Their application, I'm convinced, would make every defense dollar more effective and make America stronger. I won't go into all the details here—just give you some of the highlights.

First is reform of the budgeting process, to give us firm, 5-year projections and 2-year budget cycles. We're the only major country in the world that rewrites its defense budget every year—sometimes making detailed revisions two or three times a year, and the waste that results is immense. No company in the private sector would survive if it couldn't plan for the future but had to hastily and repeatedly alter its plans to accommodate shifting budgets. The effect of funding programs this way is less defense and more cost. Furthermore, much of the waste in defense is directly attributable to the appropriations process. The vote delays on the MX missile and the suspension of the B-1 bomber cost this country billions of dollars, dollars that were lost forever as those systems that were set back had to be reprogrammed at higher cost.

The report also calls for less micromanagement. Instead of scrutinizing every paper clip, bolt, and bullet, Congress should give more thought to our overall defense needs and strategy. Further changes include involving the Joint Chiefs of Staff in drawing up the budget—efficiencies for more multiyear contracting, increased use of commercial products, streamlined management, and focusing accountability within the procurement process. Also the Commission suggests changes in the organization of our military that will improve their role in national security decisionmaking. We will be announcing our implementation plans in the near future. Wherever the report points the way to greater executive effectiveness, I will implement its recommendations even if they run counter to the will of the entrenched bureaucracies and special interests. I will also urge Congress to remove those obstacles to good management that Congress itself has created over the years. This is an historic opportunity for the Congress and the executive branch to work together to give the American people what they deserve—the best, most efficient, proudest Armed Forces of the world.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## Remarks at a White House Meeting for Supporters of United States Assistance for the Nicaraguan Democratic Resistance

March 3, 1986

*The President.* Well, welcome all of you, and I know that four of us who just came in here are deeply grateful to you for the cause that brings you all together. I have just met with these leaders of the united Nicaraguan opposition who represent the hope for democracy in Nicaragua: Arturo Cruz, Adolpho Calero, and Alfonso Robelo.

Haiti and the Philippines have demonstrated the desire of people worldwide for democratic rule. In Central America great strides toward democracy have been taken

in every country except Nicaragua, where the Sandinista dictatorship is consolidating Communist control. I think the world is watching to see if Congress is as committed to democracy in Nicaragua, in our own hemisphere, as it was in the Philippines.

The Nicaraguan democratic resistance, 40 percent former Sandinistas, now confronts new Soviet weapons, including the same helicopters used to massacre the resistance in Afghanistan. And democratic reconciliation remains possible if we support those

who share our ideals. However, if we don't provide our friends with the means to stop these Soviet gunships, Nicaragua's freedom fighters will suffer the same fate as the Hungarian freedom fighters did 30 years ago, who had nothing to defend themselves against Soviet tanks.

The second question that'll be answered with this vote is whether Congress is as determined to keep Central America free as Ortega and Castro are to make it Communist. I've asked for \$100 million in assistance, and we'll fight for it. Simple humanitarian aid is not enough. As these gentlemen definitely agree, you can't stop tanks and gunships with bandages and bed rolls. Congressional defeat of this aid proposal could well deliver Nicaragua permanently to the Communist bloc. Procrastination risks a military victory for the Sandinistas, who hope to finish off the freedom fighters before American help can arrive. We implore Congress not to delay and to provide that help. For 2 years, the freedom fighters have gotten no military assistance from the United States, except that that some of you know has been provided; and Moscow has provided a half a billion dollars in arms. Defeat for the *contras* would mean a second Cuba on the mainland of North America. It'd be a major defeat in the quest for democracy in our hemisphere, and it would mean consolidation of a privileged sanctuary for terrorists and subversives just 2 days' driving time from Harlingen, Texas.

Now, I don't think any of us are going to try and sell the idea that just a little Nicaragua could represent a threat to the United States, but that isn't what they have in mind either. They have in mind being a launching pad for revolution up and down, first of all, Latin America. We have the defi-

nite proof that the Sandinista government continues to send arms to the guerrillas in El Salvador that are trying still to get rid of that democratic government that is now installed there. And can anyone imagine how much more help they would be able to give if once they were totally victorious and had no opposition within their own country anymore, and what they could do to unseat the neighboring democracies? I think it would place in jeopardy the survival of each of those small and fragile democracies now in Central America, open up the possibility of Soviet military bases on America's doorstep, could threaten the security of the Panama Canal, inaugurate a vast migration northward to the United States of hundreds of thousands of refugees. And those who would invite this strategic disaster by abandoning yet another fighting ally of this country in the field will be held fully accountable by history.

Well, now, that's all that I'm going to say here for the moment, and in a few moments we will—

*Reporter.* Mr. President, there doesn't seem like there's any hope for negotiations at all?

*The President.* I'm a little more optimistic than that. We're going to tell our story to the American people, and we're going to continue to work on Congress. And I refuse to give up.

I remember a man named Winston Churchill who said, "Never give in. Never, never, never." So we won't.

*Q.* How tough is the sell on the Hill, Mr. President?

*The President.* We'll be talking to our friends up there.

*Note: The President spoke at 1:20 p.m. in the Cabinet Room at the White House.*

## Appointment of Two Members of the Board of Visitors to the United States Military Academy

*March 3, 1986*

The President today announced his intention to appoint the following individuals to

be members of the Board of Visitors to the United States Military Academy for terms

expiring December 30, 1988:

**Marta T. Caldera** will succeed Matilda L.H. Forbes. She is presently with the Caldera Co. in Los Angeles, CA. Previously she was with Amex Systems, Inc., as vice president for government and legal affairs. She was an associate with the law firm of Lawler, Felix and Hall in 1979-1981. She graduated from San Diego State University (B.A., 1976) and Georgetown University Law Center (J.D., 1980). She was born June 13, 1954, in San Pedro, CA, and now resides in Los Angeles, CA.

**Michael Joseph Bayer** will succeed Garrison H. Davidson. He is currently serving as manager of government relations for the Panhandle Eastern Companies in Washington, DC. He served as an Associate Deputy Secretary at the Department of Commerce in 1982-1983 and as Deputy Assistant Secretary for Congressional Affairs at the Department of Energy in 1981-1982. He graduated from Ohio State University (B.S., 1973; M.B.A., 1974) and Capital University (J.D., 1977). He is married, has one child, and resides in Potomac, MD. He was born August 2, 1947, in Dayton, OH.

## **Appointment of Betty Easley as a Member of the Intergovernmental Advisory Council on Education**

*March 3, 1986*

The President today announced his intention to appoint Betty Easley to be a member of the Intergovernmental Advisory Council on Education for a term expiring July 27, 1989. She will succeed William S. Bankowsky.

Since 1972 Mrs. Easley has been a member of the Florida State House of Representatives for the 52d District. In that capacity, she has served on the Appropriations, Finance and Taxation, Higher Educa-

tion, and Judiciary Committees. She is a member and past president of the National Order of Women Legislators and a member of the National Conference of State Legislatures.

Mrs. Easley received a bachelor of arts degree in 1984 from Eckerd College. She is married, has four children, and resides in Largo, FL. She was born August 5, 1929, in Victoria, TX.

## **Remarks at a Dinner Honoring Senator Paul Laxalt of Nevada**

*March 3, 1986*

Thank you, Senator Armstrong. Thank you all. Ladies and gentlemen, it's wonderful to be here tonight and to celebrate with you the longstanding friendship that Nancy and I've had with Paul and Carol.

As most of you know, Paul and I were elected Governors of our respective States at about the same time; so, you can see we started even. I had California and one of the biggest economies in the Nation, and Paul had Nevada and Howard Hughes. [Laughter] But you know, even in those early days, I knew that Paul and I would be close. We had a lot in common—Lake Tahoe, for example. There were those who

said a straight shooter like Paul could never make it in Washington. But sure enough, Paul disposed of problems here just as easily as he disposed of them in Nevada, because he had the best possible training for Washington. He was a rancher and a herder, and they have exactly the same sort of disposal problems in that business that we have in politics. [Laughter] But while we're all familiar with Paul's accomplishments here in Washington, I don't think we should overlook what he achieved in Nevada. You know, there's an old mining town there called Virginia City that proudly boasts that it has 6 churches and 110 saloons. Paul

changed all that. When he was finished, Virginia City had 6 churches, 110 saloons, and 1 Republican club. [Laughter]

Well, Paul, Senator, I hope you'll forgive me for having a little fun here tonight. The truth is, ladies and gentlemen, this isn't the easiest set of remarks that I've ever been asked to give. And that comes from someone who's had to give a fair number of speeches. Come to think of it, Paul, you've probably had to sit through more of them than either one of us wants to admit. And I know that finding the right word or expression can oftentimes mean the difference between hurting or helping, between doing this job well or not so well. But sometimes the words just aren't there. The task is really impossible. I guess that was what Lincoln felt at Gettysburg. He knew there are occasions when words must be brief because the feelings are so deep, and this evening is one such occasion.

In the first place, I'm not sure I know what I could say to add to the understanding of Paul Laxalt by those of you who know and love him so well. In Paul Weyrich's article in the current issue of the *Conservative Digest*, the title, fittingly enough, is "The Character of Paul Laxalt." There's a story about the time that Barry Goldwater was scheduled to campaign in Nevada in 1964. Everyone told Paul—well, not everyone, but there was that certain group of people that told Paul he could probably win his race for the Senate, but only if he didn't identify himself too closely with the Senator. Paul's reply, "Listen, Barry Goldwater is my friend. If I snubbed him now, I could never look him in the face again. I would rather lose." And Paul did lose, by 84 votes. But that kind of courage and sense of values would later make him part of the Nation's history, one of the guiding stars for a political revolution that has shaken America and the world.

All of you know, too, the story of Paul's family. Perhaps some of you have seen the book written about his father by one of his brothers, "Sweet Promised Land." There's a wonderful picture of the elder Laxalt on the cover. He's looking out across the Sierra Nevada. "Seeing him in a moment's pause on some high ridge," Robert Laxalt wrote, "with the wind tearing at his wild thickness

of iron grey hair and flattening his clothes to his lean frame, you could understand why this was what he was meant to be." Well, seeing Paul as I have—calm in crisis, resolute in duty, warm in friendship—I also knew why this was what he was meant to be; that he, too, had a destiny, a destiny to be a great leader of our nation and one of the foremost Americans of our time or of any time.

I remember back in '76. Paul was a minority of one among the Republican Governors, and he gave the first of his three speeches nominating me for President. Come to think of it, Senator, I've had to sit through a few of your speeches, too. [Laughter] Anyway, recently he gathered those speeches in a little book. After his last one in 1984, Paul notes: "Back at the hotel that same evening, a man with tears in his eyes shook my hand and said simply, 'Great speech, Paul.' The road to this had been a long one, beset by reverses and heartbreaks and finally crowned with victory. My friend's words made all the travails worthwhile," he said. And then he adds in that little book: "The man shaking my hand was President Ronald Reagan."

Well, you bet it was, and again tonight those tears aren't very far away. The friend who understands you creates you, a wise man once said. Paul created because he always understood. And for that, I am and shall always be grateful. But I'm humbled, too, knowing that so often he chose to give of himself, for Nancy and for me, always for America, his sweet promised land. So, yes, I owe a great deal to Paul Laxalt. But how really does that make me any different from anyone else in this room? And every other man, woman, and child who enjoys the blessing of freedom in this wonderful country tonight.

There's another story Paul tells in his little book. Now, like anyone, he was nervous appearing in 1984 before the packed arena and a huge nationwide television audience. But he says, "That feeling quickly disappeared when I looked down from the podium and saw the Nevada State flag with the words 'Battle borne' inscribed upon it." Well, that's his story, his State's story, but our story, too, and especially our century's

story. Had the times been more tranquil, many of us would have preferred some other career, perhaps, or at least a little more leisure time. I know Paul would have made a lot more trips to a place called Marletta in the Sierra Nevada. But history did hit us with a freight train, and we were battle borne. The events of our century—world wars and totalitarian governments so momentous, so rife with human suffering—so gravely threatened our shining city on a hill, our sweet promised land, so we could not shirk nor deny the duty that we saw before us. And tonight we thank God that we saw our duty and did it and that our efforts have been rewarded with not just a glimmer but a glow of light as this dark century comes to its close.

And to the scholars who someday will seek the origin of that sudden brilliance, that sudden outburst of freedom's light in

the closing decades of the 20th century—one we pray God will continue to grow brighter—I say to them, look to the son of the high mountains and the peasant herders, the son of the Sierra and the immigrant Basque family. Look to a man, to a friend, to an American who gave of himself so that others might live in freedom, so that his country and his father's country might always be a light unto the nations, a shining city on a hill and that sweet promised land.

Paul Laxalt is more than deserving of the honor we do him tonight. We bring honor on ourselves for recognizing that fact. He is truly a man for all seasons. And he's our friend, our good friend. God bless him.

*Note: The President spoke at 7:57 p.m. in the Regency Ballroom at the Hyatt Regency Hotel. He was introduced by Senator William L. Armstrong of Colorado.*

## Statement by Principal Deputy Press Secretary Speakes on the Situation in Southern Africa

March 4, 1986

Today in Cape Town, the Government of South Africa proposed that August 1, 1986, be set as the date for the beginning of implementation of United Nations Security Council Resolution 435. That resolution outlines the procedures leading to the independence of Namibia. The South Africans have made implementation of this date contingent on reaching prior agreement on a timetable for Cuban troop withdrawal from Angola.

The United States Government welcomes South Africa's announcement as a significant and positive step in the negotiations to achieve Namibia's independence, the withdrawal of Cuban forces from Angola and, more broadly, peace in the region. The opportunity now exists for rapid movement toward a settlement which will bring Namibia to independence. This opportunity should be seized. It is now incumbent upon all the parties to the negotiations to intensify

their diplomatic efforts. The United States is prepared to move rapidly to encourage the parties in this effort. With this in mind, the Secretary [of State] has asked Deputy Assistant Secretary for African Affairs Frank G. Wisner to travel immediately to southern Africa for consultations with governments in the region.

We welcome the South African Government's announcement that it would lift the state of emergency within the next few days. We have long urged that the state of emergency be lifted as one of the steps the South African Government must take to create conditions in which it will be possible to begin negotiations with credible black leaders leading to meaningful reform and a reduction in violence.

*Note: Larry M. Speakes read the statement to reporters at 9:18 a.m. in the Briefing Room at the White House.*



## Remarks on Receiving the Department of Education Report on Improving Education March 4, 1986

*Secretary Bennett.* Mr. President, I would like formally to present you a copy of "What Works." It is aimed at the improvement of the education of our children.

*The President.* Thank you very much, and thank you Secretary Bennett. Ladies and gentlemen, in the last few years the American people have been asking, what can they do to improve American education, and today I think we have some pretty good ideas. Let me interject right here that it is quite a novelty for me to have principals visiting my office. [Laughter]

I'm pleased to be here today to help Secretary Bennett present this book that is called "What Works." And you all know, I'm sure by now, that before you leave here today you will be receiving this particular report. This little book is only 65 pages long, and that's pretty short by Washington standards. But there's more practical, useful information packed into these 65 pages than in a whole mountain of most government documents. This book is for the American people, parents, teachers, principals, school board members, State legislators, and any adult who is responsible for the education of a child. And it tells you exactly what the title says: what works when it comes to teaching and learning.

The Department of Education has gathered the best available research. We know from experience that certain tools work and work well when it comes to teaching and learning, and this is a practical guide to those tools. "What Works" makes its appearance at just the right time, because we've had some encouraging news about our schools lately. Just 2 weeks ago we learned that since 1982 senior high school students in 35 States have improved their academic performance. We learned that graduation rates are up and dropout rates are down. And last year, as many of you know, SAT scores rose 9 points, and that was the largest annual gain since 1963.

Yes, we are making progress, and this book can keep us going in the right direc-

tion. When you look inside "What Works" you'll discover that some of the research findings aren't really very surprising. That's because sound educational practice is based on something Americans know a lot about: plain, old-fashioned common sense. On discipline, for example, "What Works" says this: "Schools contribute to their students' academic achievement by establishing, communicating, and enforcing fair and consistent education policies." That's good to know because for 16 out of the last 17 years Americans have said that lack of discipline is their number-one concern about schools. Here in Washington we've been addressing this concern. Our Department of Justice has supported efforts to make sure that teachers, principals, and school administrators have the authority they need to run orderly schools. And at my request the Departments of Justice and Education are examining initiatives that would enhance the ability of State and local officials in maintaining school discipline.

On the importance of teaching our children character, "What Works" is just as forceful: "Many highly successful individuals have above-average but not extraordinary intelligence. Accomplishment in a particular activity is often more dependent upon hard work and self-discipline than on innate ability." Well, again, that's good to know, because Bill Bennett and I have joined thousands of teachers and parents in arguing that we should teach our children fundamental values like respect for hard work. On a related subject, our administration has called repeatedly for tougher academic standards. And, indeed, academic standards have been rising across the country as the education reform movement has made itself felt. But is there any evidence that higher standards actually make a difference? Well, flip to page 59 of "What Works": "The stronger the emphasis on academic courses, the more advanced the subject matter, and the rigorous the textbooks, the more high school students learn." Homework is an-

other aspect of education that Bill Bennett and I have joined parents and teachers in stressing. And again the research in "What Works" is conclusive: "Student achievement rises significantly when teachers regularly assign homework and students conscientiously do it."

So there we have it. "What Works" confirms the common sense of the American people. Teachers in the old days may have worn granny glasses and taught in one-room schoolhouses, while today's teachers jog to work and use computers in the classroom. But teachers still know what they're doing when they must tell Johnny to behave, ask questions in class, and do his homework every night. And good teachers still know what good teachers have always known: We don't need a lot of government interference and fancy gimmicks to produce good schools. What we need is to concentrate hard on basic academic subjects and fundamental moral values.

Nearly 3 years ago, our administration issued a report called "A Nation At Risk" that made headlines. That report concluded: "If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war." Well, "A Nation At Risk" spoke to the American people as a whole about the crisis in our schools.

"What Works" speaks to individual parents and teachers about what can be done for a given child in a given school. We still have much to do, and this splendid little book, "What Works," will help us get on with the job. It's a job we must do for our children and for our country. And the voices—or the words of James Madison, words quoted in "What Works": "Knowledge will forever govern ignorance; and a people who mean to be their own governors must arm themselves with the power which knowledge gives."

Well, Bill Bennett, ladies and gentlemen,

thank you all for joining us here today. And I want to close by reminding you all that this edition of "What Works" is only the first installment; more booklets have already been planned. So, Bill, after spending so much time here at the White House, when this is over, I expect you to get crackin'. [Laughter]

Well, thank you all, and God bless you.

*Secretary Bennett.* Mr. President, I was telling the audience before you came that memorization figures in this book fairly prominently, and I am told that you're the world champion memorizer. Do you recall something that starts "There are strange things done in the midnight sun . . .?"

*The President.* ". . . by the men who moil for gold." [Laughter]

*Secretary Bennett.* "The Arctic trails have their secret tales . . ."

*The President.* ". . . that would make your blood run cold." [Laughter]

*Secretary Bennett.* I give up. I give up. I give up. Do you want to finish, Mr. President?

*The President.* I don't know whether in school they still read Robert W. Service but to just conclude that particular stanza, it would then be: "There are strange things—" No, we've done that. All right.

*Secretary Bennett.* "The North Lights have seen . . ."

*The President.* "The Northern Lights have seen queer sights, but the queerest they ever did see was that night in the marge of Lake Lebargé I cremated Sam McGee." [Laughter]

*Note: The President spoke at 1:27 p.m. in the East Room at the White House. Secretary of Education William J. Bennett presented the report to the President in a ceremony attended by parents, educators, and officials from the Department of Education.*

## Appointment of Nine Members of the Cultural Property Advisory Committee, and Designation of the Chairman

March 4, 1986

The President today announced his intention to appoint the following individuals to be members of the Cultural Property Advisory Committee for terms of 2 years. These are reappointments.

**Michael Kelly**, of Illinois. Upon his appointment, the President will redesignate him Chairman. Mr. Kelly is chairman of the board and chief executive officer of Kelco Industries, Inc., in Woodstock, IL. He graduated from Michigan State University (B.A., 1949). He is married, has five children, and resides in Woodstock, IL. He was born July 9, 1925, in Flint, MI.

**James William Alsdorf**, of Illinois, is chairman of the board and director of Alsdorf International, Ltd., exporters and international merchants in Chicago. He attended the Wharton School of Finance and Commerce, University of Pennsylvania. He is married, has four children, and resides in Winnetka, IL. He was born August 16, 1913, in Chicago, IL.

**Patricia Rieff Anawalt**, of California, is the consulting curator of costumes and textiles at the Museum of Cultural History at UCLA. She graduated from UCLA (B.A., 1957; M.A., 1971; Ph.D., 1975). She is married, has three children, and resides in Los Angeles, CA. She was born March 10, 1924, in Ripon, CA.

**Clemency Chase Coggins**, of Massachusetts, is an associate in pre-Columbian art at the Peabody Museum of Archaeology and Ethnology at Harvard University. Dr. Coggins graduated from Wellesley College (B.A., 1955), San Jose State College (M.S., 1965), and Harvard University (M.A., 1968; Ph.D., 1975). She is married, has two children, and resides in Auburndale, MA. She was born June 12, 1934, in New York City.

**James G. Crowley III**, of South Carolina, has been a private art dealer and consultant since 1976.

He graduated from the University of South Carolina (B.S., 1971). He is married, has four children, and resides in Spartanburg, SC. He was born August 28, 1949, in Spartanburg.

**A. Houghton III**, of California, serves as the associate curator of antiquities at the J. Paul Getty Museum in Malibu. He graduated from Harvard University (B.A., 1963), the American University of Beirut (M.A., 1966), and Harvard University (M.A., 1979). He is married, has two children, and resides in Playa del Rey, CA. He was born May 6, 1940, in New York City.

**John J. Slocum**, of Rhode Island, is a trustee and member of the executive committee of the Archaeological Institute of America and of the Fine Arts Committee of the Rhode Island School of Design. He graduated from Harvard University (B.S., 1936) and the Columbia School of Journalism (M.Sc., 1938). He is married, has three children, and resides in Newport, RI. He was born March 1, 1914, in Lakewood, NJ.

**Denver Fred Wendorf, Jr.**, of Texas, has been the distinguished professor of prehistory at Southern Methodist University since 1974. He graduated from the University of Arizona (B.A., 1948) and Harvard University (M.A., 1950; Ph.D., 1953). He is married, has six children, and resides in Lancaster, TX. He was born July 31, 1924, in Terrell, TX.

**Leslie Elizabeth Wildesen**, of Colorado, is the Colorado State Archaeologist, Deputy State Historic Preservation Officer, and vice president for the Archaeology and Historic Preservation of the Colorado Historical Society. She graduated from Stanford University (B.A., 1966), San Francisco State College (M.A., 1970), and Washington State University (Ph.D., 1973). She was born December 5, 1944, in Phoenix, AZ, and now resides in Denver, CO.

## Proclamation 5446—Women's History Week, 1986 March 4, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Women have contributed mightily to the growth of the United States and the success of the American experiment with democracy. Today, women of every race and ethnic background, whether single or married, with children or other dependents, continue to play leading roles in the enrichment of our Nation. They are contributing substantially to the growth of the economy and the development of our educational, political, commercial, judicial, and social systems. And they continue to sustain those family values so essential to the health of the Nation.

Women are making significant achievements in government and the private sector that will enhance employment opportunities for all Americans. As obstacles to full equality of opportunity are overcome, more and more women are successfully occupying an ever greater variety of demanding and rewarding careers. At the same time, women make an incomparable contribution as mothers and homemakers, whose vision, love, and example will shape the destiny of

our country in the years to come.

It is appropriate that all Americans recognize the outstanding achievements of women and celebrate their unique and immense contributions to our Nation and its well-being.

The Congress, by House Joint Resolution 499, has designated the week beginning March 2, 1986, as "Women's History Week" and authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning March 2, 1986, as Women's History Week, and I call upon the people of the United States to observe this week with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this 4th day of March, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:56 a.m., March 5, 1986]*

## Message to the Congress Transmitting Proposed Legislation on Assistance for Northern Ireland and Ireland March 4, 1986

*To the Congress of the United States:*

I transmit herewith for the consideration of the Congress proposed legislation, entitled the "Northern Ireland and Ireland Assistance Act of 1986," to provide support of the United States to the Anglo-Irish Agreement on Northern Ireland.

This legislative proposal calls for a five-year program of \$250,000,000 that would be taken from a number of existing economic programs including Housing Guarantees and the Private Sector Revolving

Fund, which are administered by the Agency for International Development, the investment insurance program of the Overseas Private Investment Corporation, and the Trade and Development Program.

In addition, the authorization of \$20 million for the Economic Support Fund for 1987 is proposed, which will be within the total amount for that fund currently requested in the 1987 Budget. This would provide a cash contribution to an interna-

tional economic development fund for Northern Ireland and the Republic of Ireland under the auspices of the Anglo-Irish Intergovernmental Council. A supplemental appropriation request for 1986 for an initial contribution to this Anglo-Irish fund is concurrently being transmitted to the Congress.

I urge the Congress to act without delay on this important legislation. I am confident our efforts, together with those of the Gov-

ernments of the United Kingdom and Ireland, will help to promote economic and social development in Ireland, thereby constructing a durable framework that would provide a promise of peace for the people of Northern Ireland.

RONALD REAGAN

The White House,  
March 4, 1986.

## **Nomination of Robert M. Gates To Be Deputy Director of Central Intelligence**

*March 4, 1986*

The President today announced his intention to nominate Robert M. Gates to be Deputy Director of Central Intelligence. He would succeed John N. McMahon.

Dr. Gates began his government career in the Central Intelligence Agency's career training program in 1966 and became a civilian current intelligence analyst in the Office of Current Intelligence in 1969. In 1972 he was assigned to the staff of the Special Assistant to the Director of Central Intelligence for Strategic Arms Limitations. In 1973 he became an Assistant National Intelligence Officer for Strategic Programs. In 1974-1976 he served on the National Security Council staff at the White House. Dr. Gates returned to the CIA headquarters in 1976 and served in the Center for Policy Support. In 1977 he returned to the White House and served as a Special Assistant to the Assistant to the President for National Security Affairs. In 1979 he became Direc-

tor of the Strategic Evaluation Center at the Central Intelligence Agency. In 1980-1981 he served as National Intelligence Officer for the Soviet Union and Eastern Europe. In March 1981 Dr. Gates was named Director of the Executive Staff in the Office of the Director of Central Intelligence, and in July he was asked to serve concurrently as Director of the new Office of Policy and Planning. In addition, he was named National Intelligence Officer for the Soviet Union and Eastern Europe in November 1981. Since January 1982 Dr. Gates has been Deputy Director for Intelligence, and since September 1983 he has been serving concurrently as Chairman of the National Intelligence Council.

Dr. Gates graduated from the College of William and Mary (B.A., 1965), Indiana University (M.A., 1966), and Georgetown University (Ph.D., 1974). He is married, has two children, and resides in Vienna, VA. He was born September 25, 1943, in Wichita, KS.

## **Appointment of Thomas Patrick Melady as Private Sector Coordinator of International Training at the Agency for International Development**

***March 5, 1986***

The President today announced the appointment of Thomas Patrick Melady to be Private Sector Coordinator of International Training. This is a new position at the Agency for International Development, United States International Development Cooperation Agency.

Dr. Melady is currently serving as president of Sacred Heart University in Bridgeport, CT. He also serves as a consultant to the Secretary of Education and was an Assistant Secretary for Postsecondary Educa-

tion in 1981 for a period of 1 year while on leave from the university. In 1974–1977 he served as executive vice president of St. Joseph's University. He was U.S. Ambassador to Burundi in 1969–1972 and U.S. Ambassador to Uganda in 1972–1973.

Dr. Melady graduated from Duquesne University (B.A., 1950) and Catholic University of America (M.A., 1952; Ph.D., 1954). He is married, has two daughters, and resides in Fairfield, CT. He was born March 4, 1927, in Norwich, CT.

## **Appointment of Jerry Douglas Geist as a Member of the President's Export Council**

***March 5, 1986***

The President today announced his intention to appoint Jerry Douglas Geist to be a member of the President's Export Council.

Mr. Geist has been with Public Service Co. of New Mexico for 25 years and now serves as chairman and president. In addition, he is a director of Reddy Communications, Inc.; Lectrosonics, Inc.; Southwest

Community Health Services; Resources for the Future; and United New Mexico Financial Corp.

Mr. Geist graduated from the University of Colorado at Boulder (B.S., 1956). He is married, has three children, and resides in Albuquerque, NM. He was born May 23, 1934, in Raton, NM.

## **Statement by Principal Deputy Press Secretary Speakes on the Conflict in Central America**

***March 5, 1986***

President Duarte's proposal to Daniel Ortega yesterday has created a new opportunity for peace in Central America. We applaud President Duarte's willingness to renew a dialog with the Nicaraguan-backed guerrillas in El Salvador if the Nicaraguan Communists are also willing to begin a dialog with the democratic resistance in Nicaragua.

President Duarte's offer creates an oppor-

tunity to begin simultaneously three parallel sets of talks aimed at peace and national reconciliation throughout Central America. If the Nicaraguan Government responds favorably, we could soon see: 1) a dialog leading to internal reconciliation and democracy in Nicaragua; 2) talks for bringing an end to the conflict in El Salvador; and 3) the simultaneous resumption of talks between the United States and the Nicaraguan Gov-

ernment.

These three sets of talks offer the best hope of ending the strife and the bloodshed in Central America and creating new possibilities for peace and democratic progress throughout the region. We call upon Mr. Ortega to accept President Duarte's proposal and agree to negotiate with the democratic resistance now. We hope that the eight Contadora and support group nations

will enthusiastically support President Duarte's proposal. These three sets of simultaneous talks would provide a great impetus to the Contadora group's efforts to mediate a comprehensive, negotiated settlement of the conflict in Central America.

*Note: Larry M. Speakes read the statement to reporters at 12:12 p.m. in the Briefing Room at the White House.*

## Remarks to Jewish Leaders During a White House Briefing on United States Assistance for the Nicaraguan Democratic Resistance March 5, 1986

*The President.* Good afternoon and welcome to the White House complex. That's what we call these buildings—the White House complex. It's also what you get when you've been around here working here too long. [Laughter] But I'm glad to have this chance to meet with you today. As a group of leaders deeply committed to the defense of freedom, I know you understand the truth of what Edmund Burke said over two centuries ago: "When bad men combine, the good must associate; else they will fall one by one, an unpitied sacrifice in a contemptible struggle."

Well, that statement has become even more urgently true today. There's a vote coming up in Congress of utmost importance, and I have to tell you I need your understanding and support. I'm talking about our request for \$100 million in aid to the democratic resistance forces in Nicaragua. Nicaragua may seem a small country, faraway. And why, some wonder, should we care what's happening there? Why should we spend \$100 million on someone else's fight? Well, I want to talk about why we must care and why the United States has not only a moral but a strategic interest in supporting freedom in Central America.

There are many things at stake in this vote: the hopes of the Nicaraguan people to live in freedom and democracy; the hopes of the people of Central and South America to live in peace, free from Communist subversion. But there's another issue that over-

rides all others: the national security of the United States. Let there be no mistake: If we fail to provide timely assistance now, if we abandon our allies in freedom and allow the Communists to establish a permanent beachhead on the American mainland, we will be living with the consequences for decades to come.

There's been a lot of misinformation floating around about the true character of the Sandinista regime. Perhaps it would be more accurate to call it disinformation. I sometimes wonder why people don't just listen to what these Communists themselves say; because when they're not up here in Washington lobbying Congress, they're quite open about their true intentions. For instance, take their ties to terrorist groups in the Middle East. Those ties go back more than a decade and a half. Tomás Borge, Nicaragua's Minister of Interior, was one of many Sandinista Communists to train in PLO camps in Lebanon and Syria and Libya. To quote Borge's own words: "We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas." Yasser Arafat returned the compliment saying, "The triumph of the Nicaraguans is the PLO's triumph."

Or listen to what the Sandinista Communists say about Qadhafi, whom they call "our great friend"—Borge again: "Our friendship with Libya is eternal. Libya is a people which, in accordance with our experience, has developed solidarity without

frontiers." Remember that one: "Solidarity without frontiers." Qadhafi, meanwhile, has been openly sending them millions of dollars of arms, because, he says: "The Nicaraguan Communists fight with Libya. They fight America," he put it, "on its own ground." The Sandinistas have also drawn close to the Iranians. Just last year the Iranian Prime Minister [Mir Hosein Musavi-Khamehnei], who's thought to control Iran's terrorist apparatus, said to Daniel Ortega—and I quote again: "We consider your revolutionary country as our own home."

The Sandinista Communists have matched their words with actions, joining the PLO in terrorist assaults in the Middle East, including the attempted overthrow of the Hussein government and the hijacking of an El Al airliner. The Sandinista terrorist killed in that El Al hijacking, Patrick Arguayo Ryan, is revered as a hero by the Nicaraguan Government. They even named a large power dam after him. The Nicaraguan Communists claim that they're not anti-Semitic, they're just anti-Zionist. Well, as anti-Zionists, they desecrated Managua's synagogue and drove the small Jewish community into exile. Isaac Stavisky, who was there, tells of the anti-Jewish Sandinista graffiti: "Death to the Jewish Pigs," with red and black FSLN [Sandinista National Liberation Front] initials next to it, and "Beware Sandinista Justice." Well, what is the official Sandinista position on this persecution of the Jewish community? The Jews, they say, have a "bourgeois mentality" that prevented them from adjusting to communism. I'll buy that kind of a bourgeois mentality anytime.

Managua has also rolled out the welcome mat for terrorists from around the world, not just Cubans, Bulgarians, Libyans, PLO, and Iranians, but members of the Baader-Meinhof gang, the Basque ETA [Basque Fatherland and Freedom], and the Italian Red Brigade. These criminals and lunatics now camp out on the doorstep of the United States. Let's not kid ourselves; the Sandinistas are avowed, dedicated Communists. And Communists since the days of Lenin have advocated terrorism as a legitimate means to attain political ends. Incidentally, Mr. Lenin's picture is quite prominent on new issues of postage stamps in Nicaragua.

If the Sandinistas are allowed to consolidate their hold on Nicaragua, we'll have a permanent staging ground for terrorism. A home away from home for Qadhafi, Arafat, and the Ayatollah—just 3 hours by air from the U.S. border. The recent terrorist attack in the Palace of Justice in Colombia in which the Sandinista Communists were implicated is just the beginning, the first rumblings of a Communist earthquake that could overrun Latin America.

The Prime Ministers of nine of the Caribbean island nations, when I was in Grenada just a week or two ago, told me that Nicaragua represented the greatest threat to their freedom and democracy—and they brought up the subject to me. They begged us to continue aiding the freedom fighters. Some still insist that the Sandinistas are only nationalists. The Sandinistas themselves laugh at the idea. They are true international Communists who talk of a revolution without borders and who have eagerly put their country at the disposal of Fidel Castro and the Soviet Union.

Everyone who's thinking about this aid package should ask themselves one question: If the Sandinistas succeed in throwing the whole of Central America into turmoil, if the United States must contend with a growing number of hostile, aggressive Communist states close to its borders, how willing or able will we be able to meet our commitments to other allies? Our supply lines to Israel and our NATO allies run through the Caribbean. The Soviets are already banking on this fact. Even some in Congress would rather ignore it. Today Nicaragua is the focus of Soviet efforts at destabilization in the Western Hemisphere.

If we show ourselves willing to abandon our friends so close to home, how soon before the Soviets turn their full attention to Israel, that lonely outpost of democracy in the Middle East? Freedom is indivisible. The moral foundation of our support for Israel is our support for freedom and democracy, and that support must always remain rock-solid wherever freedom and democracy are endangered. I want to assure you that I would not consider any measure, including arms sales to moderate Arab nations, if I thought it might endanger



the security of Israel. A small, faraway country, some say, but all people that struggle for freedom are close to America's heart.

Recently there's been an intensive effort to discredit the democratic opposition in Nicaragua. Well, let me say a few words about disinformation. Some of us have been around long enough to know that disinformation has a long history. I remember the reports of Walter Duranty from Stalin's Russia, who denied the existence of the forced famine, even though he had witnessed firsthand Stalin's genocide. I remember Lincoln Steffens' famous remark when he returned from that land of slaughter and declared: "I have been over into the future, and it works." I remember Herbert Matthews' reports on Castro before he came to power, calling him a democrat and the hope of Cuba. And to some of you who are really too young to remember this, even people around our country were calling him the George Washington of Cuba, and George rolled over in his grave.

Those reports helped shape the climate in Washington in which we cut off aid to Batista and facilitated Castro's march into Havana. And then, you remember, once in power, Castro declared voluntarily: "Yes, I'm a Communist. I've always been a Communist." He didn't say that till after he was there and in power. Likewise, we were told that Ho Chi Minh and Pol Pot were nationalists, and this was before the mass exodus of boat people and the murder of a third of the population of Cambodia. History moves on. The smoke-screen of lies and disinformation vanishes, and the brutal reality of communism is laid bare—but then, it's too late.

So, today we see an orchestrated campaign to slander the freedom fighters. But who shall we believe—dedicated Communists who call American supporters useful fools or democrats like Adolpho Calero, Arturo Cruz, Alfonso Robelo, who oppose the Somoza dictatorship as they fight the Communist tyranny today? Shall we believe Communists, whose definition of morality is what furthers their political ends, who have systematically attacked religious denominations, extinguished civil liberties, and waged an inhuman war against Miskito Indians, or believe the people putting their lives on the

line for the values that we hold sacred: democracy, freedom, and human rights?

On national television the other night, [House Majority Leader] Jim Wright said that at one time the revolutionaries in Latin America, men such as Bolivar and San Martin, emulated our democratic revolution. Well, some still do. The freedom fighters in Nicaragua fight for democracy, too. They, too, are the moral descendants of men at Morristown and Valley Forge, though the tyranny they fight against is more brutal than anything our forefathers could have imagined.

Soon Congress will be making the historic decision whether or not to help these brave men and women. The ranks of the freedom fighters continue to swell. If we give them the aid they need, the Nicaraguan people can win this battle for freedom on their own. American troops have not been asked for and are not needed. We must make sure they never are needed. We send money and material now so we'll never have to send our own American boys. But if the Members of Congress hide their heads in the sand and pretend the strategic threat in Nicaragua will go away, they are courting disaster, and history will hold them accountable. If we don't want to see the map of Central America covered in a sea of red, eventually lapping at our own borders, we must act now.

With your help and the help of other freedom-loving Americans, we can succeed in turning the tide to democracy in Nicaragua. We must succeed; nothing less than the security of the United States is at stake. Thank you all, and God bless you for letting me talk to you.

*Mr. Bialkin.* Mr. President, you have in this room representatives of the entire organized American Jewish community. We asked for this meeting and for the opportunity to meet with you because we wanted to come here and express to you our admiration and our appreciation to you for being what it is you are.

We have so many things to express our thanks to you for. Most recently, as the leader of this country, in so skillfully managing the transition in the government of the Philippines, we think that we, as all Ameri-

cans, join with you and the leadership of this country in managing to maintain a friend and preserve freedom and democracy. And we want to express that to you as openly and as firmly as we can. I have a list which I hope you don't think is too long, Mr. President, but we like you an awful lot. So, I'm going to say one or two things. I want to say that we know that the freedom of Anatoly Shcharanskiy, which you advocated for years and which you urged with Mr. Gorbachev, is due primarily, if not exclusively, to the continued efforts of the United States in support of Avital Shcharanskiy and her movement and the movement of all freedom-loving people. Anatoly Shcharanskiy is free. We thank you for that.

We want to assure you, however, that we are not summer soldiers, and we know that you're not a summer soldier. The fight for human rights, for freedom in the Soviet Union, indeed, for freedom the world over will go on. We'll be there, and we know that you will be there leading us and helping us. I do want to say that we admire your defense of freedom and your condemnation of terrorism. Your eloquent plea for the *contras*, to support freedom and democracy in Central America, to preserve the ability to maintain a decent and balanced society, to keep Central America in freedom's camp, has touched many of us and will find residence in our community.

As the chairman of the Conference of Presidents, I would lose my job if I said the whole Conference of Presidents speaks as one in supporting you. But I do know from my own experience and my own expression that, while there may not be unanimity—there never is in a democracy, and I assure you we're a democracy—I believe that the overwhelming sympathy and support of the American Jewish community rides with freedom, rides with the defense of those who wish to fight for their freedom, and would support you in your interested and objective and principled effort in that end.

We appreciate and support your strong condemnation of terrorism, and your support for the right to react to terrorist outrage is appreciated by all of us, as is your principled and moral and sentimental support for the State of Israel. We know that the fight to repel terror, to defend Israel,

and to promote peace leads to concern—and you know that we have a concern—about further arming Arab countries, even those who call themselves moderate, who do not support the peace process. We recognize it's a complicated issue. We do urge that if arms are to be sold, they should be sold only under circumstances where you have reasonable assurances and are fairly confident that the recipients of those arms will move in the direction of peace.

The time has come for the abandonment of the rejection of Israel—that is, the Arab countries, including the moderates, stand on a rejectionist platform. We hope that with your effort and with the pressure and enticement that arms may involve, Mr. President, that you can get them to move toward abandoning their rejection of Israel's right to exist and move toward negotiation. The principal barrier to peace is that rejection. The threat of assassination and terrorism is something we can't stand. Respectfully, we urge that the time has come in the Middle East for emphasis on economic development and on positive measures to live together. If Egypt and Jordan and Israel can develop a joint economic plan, that may bring peace faster than the sale of arms.

Mr. President, I want you to know that you have here in the entire Jewish community the admiration, to a man and a woman, extensively in every aspect, of your quest for freedom. You have our love, our appreciation, and our support for all that you do. And we're grateful.

*The President.* Thank you. Thank you very much for those very generous words, and thank all of you for this warm welcome. And let me just say that with regard to your one subpoint there with regard to arms and to Arabs that are, in that regard, always in our mind—that is predicated upon our belief that it can further the cause of peace, which we're trying to bring about in the Middle East, and that we are pledged to the fact that we will never allow Israel to lose its qualitative or quantitative edge by anything we do in that regard.

And you've all been so nice; I can't leave without telling you one little goody. I happen to have a hobby of collecting stories

that I understand are told in the Communist countries among themselves, which reveals the cynicism of their own people. And George Shultz brought me back one from the Soviet Union the other day. It seems they went into the General Secretary and told him there was an elderly lady there in the Kremlin who wouldn't leave without seeing him. And he said, "Well, bring her in." And they did. And he said, "Old Mother, what is it? What can I do?" She says, "I have one question." She said, "Was

communism invented by a politician or a scientist?" And he said, "Well, a politician." She said, "That explains it. A scientist would have tried it on mice first." [Laughter]

*Note: The President spoke at 2:07 p.m. in Room 450 of the Old Executive Office Building. Kenneth J. Bialkin was chairman of the Conference of Presidents of Major American Jewish Organizations and national chairman of the Anti-Defamation League of B'nai B'rith.*

## Remarks at a White House Meeting With the House Republican Whip Organization on United States Assistance for the Nicaraguan Democratic Resistance

March 6, 1986

*The President.* Well, if the issue we are facing and the stakes are properly understood, we should be able to muster bipartisan support. We've seen some evidence of this emerging already in some of the committee votes, but we've got a long way to go. And what the Congress is about to decide goes right to the heart, I think, of our national security; and I intend to bring this issue directly to the people in a television address. And I know that you will work with us right up to the day of the vote to see to it that your colleagues and the American people understand how great the stakes are.

Even as we meet, Nicaragua's dictator is back in Havana meeting with Castro. And I think it's significant that Bayardo Arce, one of Nicaragua's nine commandantes, was the first foreigner asked to address the recent Soviet Party Congress. It's up to us to persuade the Members of Congress of what the consequences will be for Nicaragua, for Central America, and for the safety of our own country, if we fail to act. And that's what we propose to do, is act all-out for the next 2 weeks.

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*Reporter.* Mr. President, do you believe that people who vote against you on the

Hill are supporting the Communists?

*The President.* If so, inadvertently.

*Q.* But you don't agree, then, with Mr. Buchanan that the Democratic Party is faced with the choice of supporting you or supporting the Communists?

*The President.* Well, it's what the choice comes down to, whether it is knowingly or not. And I've had enough experience with Communist subversion back in my former profession to know that a great many people are deceived and not aware of what they're doing is inimical to the interests of the United States.

*Q.* Couldn't just be an honest disagreement with you on the way to proceed?

*The President.* You'd have to be stretching pretty far, because we're going to make the facts so plain. And I don't have any way to comment on that.

*Q.* What time is your television address, sir? You've said you were going to make one. Do you know what day yet?

*The President.* I don't know whether the date has been decided or not. I'm the last to know. [Laughter]

*Note: The President spoke at 2:37 p.m. in the Cabinet Room at the White House. Patrick J. Buchanan was Assistant to the President and Director of Communications.*

## Nomination of James C. Fletcher To Be Administrator of the National Aeronautics and Space Administration

March 6, 1986

The President today announced his intention to nominate James C. Fletcher to be Administrator of the National Aeronautics and Space Administration. He would succeed James M. Beggs.

Dr. Fletcher is a consulting engineer and also serves as the Whiteford professor at the University of Pittsburgh. He served as the Administrator of the National Aeronautics and Space Administration in 1971-1977. He was the president of the University of Utah in 1964-1971. He was a founder of Space Electronics Corp. in 1958 and served as president until 1960, when the company merged with Aerojet-General Corp. to form Space-General Corp. He became president of Space-General Corp. in 1960 and served

as chairman of the board in 1961-1964. Dr. Fletcher served as a consultant, then member, of the President's Science Advisory Committee in 1958-1970 and a member of the Air Force Science Advisory Board in 1962-1967. He was made an associate fellow of the American Institute of Aeronautics and Astronautics in 1962 and a trustee of the Aerospace Education Foundation in 1966.

He graduated from Columbia University (A.B., 1940), California Institute of Technology (Ph.D., 1948), and Lehigh University (LL.D., 1978). He is married, has four children, and resides in McLean, VA. He was born June 5, 1919, in Millburn, NJ.

## Remarks and a Question-and-Answer Session With Reporters on Announcing the Appointment of Philip C. Habib as Special Envoy for Central America

March 7, 1986

*The President.* Well, good morning. Ladies and gentlemen, I am pleased to announce this morning the appointment of Philip Habib as a Special Envoy for Central America, succeeding Ambassador Harry Shlaudeman. And I want to make it clear that in this change of assignments we're trading strength for strength. Ambassador Shlaudeman has combined his knowledge of Latin America with his extraordinary skills as a diplomat and has performed outstanding service for this nation. And Harry Shlaudeman has worked closely with Secretary [of State] Shultz and Assistant Secretary [of State] Abrams in this mission, and so will Phil Habib. I'm personally grateful for Harry's efforts and look forward to announcing very soon a new and important position for him.

Ambassador Habib has just returned to Washington this morning after his successful

mission to the Philippines. He is still in a different time zone, I'm sure. He played a key role in maintaining effective communications between the United States and the Philippines at a critical turning point in Philippine history. Phil, as many of you know, is wise and patient and shrewd.

Now there's another difficult job before us. We believe that the Nicaraguan people, just like the Filipino people, have the right to self-determination through democracy. And we in this administration and in Congress must now decide whether Nicaragua is to be the next staging ground for subversion, terrorism, and Soviet Communist expansion on our doorstep. And I want to emphasize today that there can be a diplomatic solution for Central America. It is the solution that will come when the Nicaraguan Communists finally agree to sit down and talk with their opposition, both armed

and unarmed, to bring an end to the strife and the repression in their country.

Three days ago, President Duarte of El Salvador came forward with a bold and promising new proposal. In a letter to Daniel Ortega, President Duarte offered to resume talks with the guerrillas in El Salvador if the Nicaraguan Communist regime will begin simultaneous talks with the democratic resistance in that country. Yesterday, the three leaders of the united Nicaraguan opposition gave their full endorsement to this proposal. They are ready and willing to seek a political solution; so is the United States. On February 10th I sent a letter to the eight heads of state of the Contadora support group nations. In that letter I said that the United States is prepared to begin simultaneous talks with the regime in Nicaragua when that regime sits down with the democratic resistance.

I'm asking Ambassador Habib to meet next week with President Duarte to discuss his peace initiative. And our task is to ensure that democracy can succeed. We will continue to make every effort, as we have in the past, to pursue change through diplomatic means. But let there be no misunderstanding; Ambassador Habib's efforts to achieve a diplomatic solution must be accompanied by an increasing level of pressure on the Nicaraguan Communists.

The legislative proposal for aid to the unified Nicaraguan democratic opposition must be approved. What we're asking Congress for is the tools so that Ambassador Habib can do the job.

Now—

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*Reporter.* Mr. President, do you still believe that those who oppose you and oppose this on the Hill are supporting Communists?

*The President.* I have never believed that, if you're meaning that I was assigning any motive to them. I was only talking facts as to what would be the inevitable result. Either we do what I've just talked about doing or we have a Communist state here on the mainland.

*Q.* But, sir, isn't that getting close to what some of the people in your own party, such as Senator Kassebaum, believe is red-baiting?

*The President.* There's no intent on my part to do that at all. I have not assailed anyone's motives in this, and again, as I say, simply stating facts.

*Q.* Well, by implication you are, aren't you—by saying that they're dupes of the Communists?

*The President.* No, I'm simply stating a fact.

*Q.* Is it unpatriotic to vote against your plan, Mr. President?

*The President.* No. Once again, you ask a question that I'm sure the answer could be taken any way the questioners want to take it. But the simple answer is, as I say, we're faced with a choice. We're either going to keep on bringing along the wave of democracy that has been sweeping over Latin America, or we're going to sit back and allow a Communist base to be established here on the mainland.

*Q.* Mr. President, would you go along with Marcos' efforts to become an American citizen? Would you aid and abet him in that respect? Do you think he should be?

*The President.* I hadn't heard anything about that. I didn't know that there was any thought on his part on that; so, I haven't had any time to think about it. But I'm going to—

*Q.* How about all the money he brought out of the Philippines?

*The President.* I want you to meet Ambassador Habib. What?

*Q.* How about all the money he brought out of the Philippines? Were we aware of that?

*The President.* No. What?

*Ambassador Habib.* I can talk about that later. It's a very simple question.

*The President.* I'm going to leave that to Ambassador Habib. [Laughter]

*Ambassador Habib.* Thank you, Mr. President. I returned to Washington just this morning, and I have given the President my report on the current situation in the Philippines.

I'm honored that the President has asked me to take this new assignment. I have no substantial statement on Central America at this time except to note that the President and the Secretary of State have emphasized to me their commitment to seeking a nego-

tiated settlement in Nicaragua and elsewhere in Central America. They've asked me to meet with President Duarte to discuss his peace initiative. I have no illusions about the complexity of the issues in Central America and the difficulties in reaching a negotiated solution. Nevertheless, I pledge my efforts to work with our democratic friends and neighbors in the region toward a peaceful and democratic outcome. Thank you, Mr. President. Thank you very much.

*The President.* Thank you.

*Ambassador Habib.* I think he's going to leave me to—

*The President.* That's right. That's my reward to you. I'm leaving you here with these nice people.

*Q.* Mr. President, Mr. President—

*Ambassador Habib.* They want something from you yet.

*Q.* Are you embarrassed by—

*Q.* Mr. President, there's a proposal to put some of the money in escrow rather than put it out directly. Mr. President, would you go along with a plan to put the *contra* aid money into escrow for 6 months, and then if they didn't come to the negotiating table, release it?

*The President.* No, I think 6 months is too long a time with what we're facing down there.

*Q.* But is compromise possible, Mr. President?

*The President.* I think so, yes.

*Q.* On your legislation?

*The President.* What?

*Q.* On the package? Compromise on the package?

*The President.* Oh, no. I was talking about compromise between the *contras* and the Sandinista government.

*Q.* But compromise on the 6-month period that you said is too long?

*The President.* It is too long.

*Q.* Are you—

*The President.* The time is now.

*Q.* Are you shocked by 7.3-percent unemployment? Are we going to have to start talking about Reaganomics again?

*The President.* 7.2 if you count everybody. [Laughter]

*Q.* Well, either way, it's a big jump.

*The President.* No, I think the analysis

that was given is true—that the great part of this is due to the weather that we've had. You notice that two-thirds of this has occurred in just Texas, Illinois, and California. The flood damage and all this has temporarily put people out of work and businesses out of operation.

*Q.* So will it go back down again, the unemployment rate?

*The President.* Sure.

*Q.* Next month?

*The President.* Well, I don't know whether next month. We're not that volatile in these things.

The gentleman came all the way from Manila, all overnight to see you.

*Q.* Mr. Ambassador—

*Q.* When do you go back to the Middle East? [Laughter]

*Ambassador Habib.* I've got a shorter trip and within fairly limited time zones this time, which is going to be an improvement over the last trip.

*Q.* Mr. Ambassador, what about Marcos' status now and our involvement in having helped load these pesos? What is the American responsibility for the money that left?

*Ambassador Habib.* As I understand it, you're going to get sort of the technical answers on the question of status. His present status is he's been paroled in. That's a 6-month affair, but it can be renewed at the discretion of the relevant authorities. So, I think the question of status will be resolved over time and, as of the moment, that is the fact. There's probably going to be a more detailed discussion of some of the technical questions involving ex-President Marcos and—

*Q.* When and where?

*Ambassador Habib.* Well, I think somebody's working on it. You know, that's not the sort of thing that I get involved in.

*Q.* Did we help him take that money out, though? The second part of that question—

*Ambassador Habib.* It was on the same airplane. It was on one of our airplanes, yes. There were two airplanes.

*Q.* Were we aware of it? Did we help load those pesos?

*Ambassador Habib.* I don't know whether the people were aware of what was there

or wasn't there. There was a lot of baggage, came in two different pieces—one of them up at Clark Field, one of them down on the dock—and then they sorted them out, and they didn't sort them out. Some of them were opened; some of them were not.

*Q.* Was it all legitimate—to bring all that stuff out?

*Ambassador Habib.* That's a question that's going to have to be decided. Because, as you know, there are claims and counter-claims. And I think the position we have taken, which the President has taken and we've taken, is that these are matters to be settled in accordance with the law. And when we say "law," we mean U.S. law, Philippine law, and international law. And that's the way it's going to be approached. I don't see it as a very complicated matter, and that's what I told the appropriate officials of the Philippine Government when I was there and they questioned me about this.

*Q.* May I ask you about this opening up of the murder investigation of Mrs. Aquino's husband?

*Ambassador Habib.* That's a Philippine matter. I don't know anything about that. That's a purely Philippine question.

*Q.* You didn't talk about it?

*Ambassador Habib.* No, it didn't come up in my conversation.

Yes.

*Q.* Did you give the President any recommendation about what the United States should do now to help the [Corazon] Aquino government?

*Ambassador Habib.* I discussed that with him. And as you may or may not know, there's a small team going out from here headed by Peter McPherson of AID, including people from some of the relevant departments, to go out there and discuss that in some detail with the new officials in the Philippine Government. I, obviously, am not going to tell you what I recommended to the President. I don't think that'd be appropriate. But I can assure you that, generally speaking, we're following the President's earlier dictums of wanting to be useful and helpful to the Philippine Government.

*Q.* Well, was she invited here?

*Q.* Mr. Habib, this analogy that's been

made between Central America and the Philippines, do you see that as a workable analogy? It seems to me there's some problems—

*Ambassador Habib.* There are aspects of it—yes—I think there is. One can draw analogies.

*Q.* Well, what do you see—

*Ambassador Habib.* For example, I don't think there's any question that you can draw a difference, say, from the shift from Somoza to the Sandinistas as compared to the shift from Marcos to what is obviously not only a widely popular and probably successful in an electoral-process administration, and also I think—I wouldn't say center or center left—but in the middle of the body politic of the Philippines, with wide enthusiastic support generated both during the campaign and after the campaign. Whereas in the other place, you know, it just didn't work that way. You went from Somoza right to—almost quickly to the Sandinista junta.

*Q.* Yes, but the task you—

*Ambassador Habib.* And, will, beyond that, I would say that in both cases I think it's fair to say that one can pursue a different course. That is to say, you can pursue a course which could and should bring about a democratic solution, one in which whatever compromises are made between the contending forces are done peacefully and are done through negotiation and discussion. That hasn't been possible as of this stage, as I understand it.

*Q.* Ambassador?

*Ambassador Habib.* Yes.

*Q.* Are you going to try to get a free election in Nicaragua in which the—

*Ambassador Habib.* I don't know. No, look, at this stage, those are the kind of questions I'd be a fool to answer. I've just—

*Q.* But this would be a solution though, wouldn't it?

*Ambassador Habib.* No, let's just wait a while, and let's see what comes out. Right now we're working on this proposal that President Duarte has made. I'm going to go down there, and I'm going to discuss it with him. And we'll look at that; we'll see where it leads us and then from there, well, you

know, we'll see. There's no point in going after me too hard on Central America. You want to really get on Central America, you got to get Harry—or the Secretary, not me.

*Q.* That's your goal?

*Ambassador Habib.* That's a little later you get me on that one. Give me a little bit of time.

*Q.* Should the President meet with Mrs. Aquino?

*Ambassador Habib.* Pardon?

*Q.* Should the President meet with her?

*Ambassador Habib.* Well, that will be something to be decided at the appropriate time. I—

*Q.* Mr. Ambassador, do you think it was a good idea—

*Q.* Is the United States—

*Q.* —do you think it was a good idea for Mrs. Aquino to release the Communist insurgents from prison?

*Ambassador Habib.* That was Mrs. Aquino and her advisers' decision. Let me say that I think that her purpose is quite clear. She wanted to sweep that board clear and start all over from the question of people that had been put in prison by the previous regime. Now, she has made it very clear, however, where she stands on her view of these people resorting, once again, to the kind of activities they were engaged in before. And her people have made it clear that, if they do, then they'll be dealt with in accordance with their law and be dealt with severely, I take it.

*Q.* Mr. Ambassador, why not go back to Manzanillo?

*Mr. Speakes.* Let's do this. He's on his 24th hour. Andrea, Sheila, and Drake close. That all right? Three more?

*Ambassador Habib.* Anything you say.

*Mr. Speakes.* All right.

*Ambassador Habib.* Provided it's something that I can answer.

*Q.* But why not go back to—why not have bilateral talks between us and Nicaragua without—

*Ambassador Habib.* As I understand it—

*Q.* —without demanding the simultaneity?

*Ambassador Habib.* As I understand it, what President Duarte has proposed, and which we agree with at the moment, is that

there would be talks between himself and the guerrillas in El Salvador and that he would hope that at the same time there could be discussions between the opposition and the Sandinista government in Nicaragua. And we have stated all along, it is my understanding—and this is the last thing I'm going to say about my understanding of Central America—we've said all along that talks between the opposition and the Sandinistas are necessary if there are to be any discussions between ourselves and the Sandinistas. That's the position as I understand it, and that's as far as I can go at the moment. There's no point in trying to pursue me, Andrea. There is no point in pursuing me further on that at this time; maybe sometime in the future.

Who else did you say, Larry?

*Q.* Is the United States sharing in detail with the Philippine Government an inventory of what was brought out? And what did you tell the Philippine Government would be our approach to having it?

*Ambassador Habib.* I told the Philippine Government that as far as the United States was concerned, we would be cooperative and that the matter would be dealt with in accordance with law—U.S. law, Philippine law, and international law. That is the exact phrase that I used in talking to the commissioner who has been charged—there's a commission that's been charged with looking into these matters.

*Q.* But in terms of them making a claim, are we letting them know what is available to be claimed?

*Ambassador Habib.* They will be made well aware of the inventory of what there is there, yes.

*Mr. Speakes.* Okay, Drake [Bruce Drake, New York Daily News], and then that's the last.

*Q.* In your pursuit of a negotiated settlement in Central America, are there any plans now for meetings on your part with officials of the Nicaraguan Government?

*Ambassador Habib.* No, there are no such plans at this time. No.

Thank you very much.

*Q.* How do you like retirement? [Laughter]

*Reporters.* Thank you.



*Note: The President spoke to reporters at 11:22 a.m. in the Briefing Room at the White House. Larry M. Speakes was Principal Deputy Press Secretary to the President.*

## **Appointment of Philip C. Habib as Special Envoy for Central America**

***March 7, 1986***

The President today announced the appointment of Philip C. Habib as his Special Envoy for Central America. He will succeed Harry Shlaudeman.

A former Foreign Service officer, Ambassador Habib served as the Personal Representative of the President to the Philippines in February 1986. He was the Personal Representative of the President to the Middle East in 1981–1983. He was senior adviser to the Secretary of State in 1979–1980 and diplomat in residence at Stanford University in 1978–1979. He served at the Department of State as Under Secretary for Political Affairs (1976–1978) and as Assistant Secretary for East Asian and Pacific Affairs in 1974–1976. He was the Ambassador to the Republic of Korea in 1971–1974. Ambassador Habib was a member of the United States delegation to the Vietnam peace talks with the personal rank of Am-

bassador in 1968–1971. He also served as Deputy Assistant Secretary of State for East Asian and Pacific Affairs in 1967–1969. He was Minister-Counselor for Political Affairs at the American Embassy in Saigon, Vietnam, in 1965–1967 and was the counselor for political affairs at the American Embassy in Seoul, Korea, in 1962–1965. Ambassador Habib serves as a senior research fellow at the Hoover Institution and as a senior fellow at the American Enterprise Institute. He is a trustee of the Asia Foundation and of International Human Assistance Programs. He has received many awards and decorations, including the Presidential Medal of Freedom (1982).

Ambassador Habib graduated from the University of Idaho (B.S., 1942) and the University of California at Berkeley (Ph.D., 1952). He is married and has two children. He was born February 25, 1920, in Brooklyn, NY.

## **Nomination of Donald W. Peterson To Be Deputy Commissioner of Patents and Trademarks**

***March 7, 1986***

The President today announced his intention to nominate Donald W. Peterson to be Deputy Commissioner of Patents and Trademarks, Department of Commerce. He would succeed Donald James Quigg.

Mr. Peterson has been with the Monsanto Co. since 1953, and he has been serving there as an associate general patent counsel since 1981. Previously, he was patent counsel, Agricultural Products Co. (1975–1981); patent counsel, Commercial Products Co. (1972–1975); patent counsel, Polymers &

Petrochemicals Co. (1971); trademark counsel (1968–1971); senior attorney (licensing) (1966–1968); patent attorney (1957–1966); patent trainee (1955–1957); and chemical engineer and assistant contracts engineer (1953–1955).

Mr. Peterson graduated from the Missouri School of Mines & Metallurgy (B.S., 1950) and St. Louis University Law School (J.D., 1957). He is married, has one child, and resides in Des Peres, MO. He was born January 31, 1929, in St. Louis, MO.

## **Appointment of Robert C. Brostrom as a Member of the Architectural and Transportation Barriers Compliance Board** *March 7, 1986*

The President today announced his intention to appoint Robert C. Brostrom to be a member of the Architectural and Transportation Barriers Compliance Board for a term expiring December 3, 1988. He will succeed Rosemary Margaret Front.

Mr. Brostrom is a general clerk with the C&P Telephone Co. in Fairfax, VA. He graduated from Florida Atlantic University (B.A., 1973). He was born February 20, 1951, in the Bronx, NY, and now resides in Annandale, VA.

## **Nomination of Robert Ortner To Be an Under Secretary of Commerce** *March 7, 1986*

The President today announced his intention to nominate Robert Ortner to be Under Secretary of Commerce for Economic Affairs. He would succeed Sidney Lewis Jones.

Since 1981 Mr. Ortner has been serving as Chief Economist at the Department of Commerce. Previously he was senior vice president and economist and a member of the investment policy committee for the Bank of New York in 1965-1981. From

1973 to 1981, he also served as director and as a member of the finance committee for the North American Reassurance Corp. and the North American Reinsurance Corp.

Mr. Ortner graduated from the University of Pennsylvania (B.S., 1949) and Columbia University (M.S., 1954; Ph.D., 1960). He is married, has two children, and resides in Washington, DC. He was born October 19, 1927, in Short Hills, NJ.

## **Nomination of Clair W. Burgener To Be a Member of the Board for International Broadcasting** *March 7, 1986*

The President today announced his intention to nominate Clair W. Burgener to be a member of the Board for International Broadcasting for a term expiring April 28, 1988. This is a reappointment.

Mr. Burgener is president of Burgener Properties in Rancho Santa Fe, CA. He was a U.S. Congressman from the 43d District

of California in 1973-1983. He was a State senator in California in 1966-1972 and a State assemblyman in 1962-1966.

Mr. Burgener graduated from California State University (A.B., 1950). He is married, has three children, and resides in Rancho Santa Fe, CA. He was born December 5, 1921, in Vernal, UT.

## **Nomination of C.C. Hope, Jr., To Be a Member of the Board of Directors of the Federal Deposit Insurance Corporation**

***March 7, 1986***

The President today announced his intention to nominate C.C. Hope, Jr., to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years. He would succeed Irvine Henry Sprague.

Mr. Hope recently retired as vice chairman of First Union National Bank in Charlotte, NC. He is past president of the American Bankers Association (ABA) and past chairman of the ABA Council. He began his

banking career in 1947. He served North Carolina as secretary of commerce in 1983–1985. He has served as chairman of the board of the North Carolina Symphony Society and served as chairman of the North Carolina Alliance for Arts in Education.

Mr. Hope graduated from Wake Forest University (B.A., 1943). He is married, has three children, and resides in Charlotte, NC. He was born February 5, 1920, in Charlotte.

## **Appointment of Three Members of the Advisory Committee of the Pension Benefit Guaranty Corporation**

***March 7, 1986***

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee to the Pension Benefit Guaranty Corporation for terms expiring February 19, 1989. These are reappointments.

*Murray P. Hayutin* is president of Reichart-Silversmith, Inc., in Denver, CO. He graduated from the University of Pennsylvania (B.S., 1959) and the University of Denver (M.B.A., 1963). He is married, has two children, and resides in Littleton, CO. He was born October 17, 1937, in Denver, CO.

*John F. Hotchkis* is general partner in the firm of Hotchkis and Wiley in Los Angeles, CA. He graduated from the University of California at Berkeley (A.B., 1954) and the University of California at Los Angeles (M.B.A., 1958). He is married, has four children, and resides in Pasadena, CA. He was born August 3, 1931, in Los Angeles.

*Ralph J. Wood, Jr.*, is vice president of Gerwood, Inc., in Flossmoor, IL. He graduated from the University of Chicago (B.A., 1948). He is married, has five children, and resides in Flossmoor, IL. He was born December 27, 1923, in Chicago, IL.

## **Statement on the Death of Former Senator Jacob K. Javits of New York**

***March 7, 1986***

Nancy and I were saddened this evening to learn of the death of former Senator Jacob Javits of New York. Throughout his many years in the Senate, Jacob Javits was known for his intellect, for his integrity, for his dedication to the people of New York and the Nation, and for the sheer joy he

took in every day of his work. Especially in foreign relations, his chief abiding interest, Senator Javits served our country with tremendous insight and skill, proving a staunch advocate of freedom around the world and a particular friend of the brave State of Israel. In recent years Senator Javits

battled Lou Gehrig's disease with remarkable courage, continuing to write and lecture. Jacob Javits remained to the end a man in love with life, and from the streets

of the great city he so cherished to the distant shores of California, he will be deeply missed. Nancy and I join the Senator's family in mourning this great loss.

## Radio Address to the Nation on United States Assistance for the Nicaraguan Democratic Resistance *March 8, 1986*

### *My fellow Americans:*

I want to speak to you today about our request to help the Nicaraguan freedom fighters, which Congress should be voting on within the next 2 weeks. Let me say at the outset, this will be a vote of supreme importance. History will soon record whether the United States Congress, faced with a powerful Soviet-bloc challenge to capture Nicaragua and spread communism throughout Central America, stood by and watched or had the courage to stand up for freedom and America's security.

The facts are clear, and the facts are compelling. The days of pretending Nicaragua is some aggrieved, misunderstood country, an innocent lamb of peace wishing only to live in harmony with its people and neighbors, have long passed. Nicaragua is a country held captive by a cruel clique of deeply committed Communists at war with God and man from their very first days. Between 1979 and 1981, when a trusting America was still providing more economic aid to Nicaragua than was any other nation, the Nicaraguan regime was already saying Marxist-Leninism is the scientific doctrine that guides our revolution; and this revolution goes beyond our borders. These men are deadly serious. Of all the nations in Central America, only Nicaragua suspends all civil rights; only Nicaragua suppresses political parties and refuses any dialog with its opponents; only Nicaragua murders political dissenters and indoctrinates children with class hatred; only Nicaragua persecutes the Catholic Church, humiliates its Cardinal and the Pope, and tortures believers of other religions, from Mormons to Evangelicals to Miskito Indians.

Above all, only Nicaragua has become a

wedge of aggression that intimidates and undermines its neighbors. Nicaragua's policy to foment violence was laid out at a secret meeting back in 1979 involving all military, intelligence, and security organizations, including the defense and secret police ministries headed by key Communists Humberto Ortega and Tomás Borge. Now this dictatorship becomes more dangerous as a flood of weapons and manpower pour in from the Soviet bloc and their cold-blooded allies, the PLO and Libya. One thing alone unites these enemies of democracy: hatred for America and America's values. These men did not come to Central America to spread good will; these men came to do us harm, and they mean to succeed. As Qadhafi gloated: Supporting Nicaragua means a great thing; it means fighting America near its own borders.

How can Congress ignore this storm gathering so close to our homeland? From amassing a military force larger than all other countries in the region to building the longest military airstrip in Central America—long enough to handle Soviet Backfire bombers—to being chief conduit of weapons to El Salvador's guerrillas, the radicals of Honduras, Costa Rica, Guatemala, and the terrorists who recently attacked the Palace of Justice in Colombia, Nicaragua today rivals Cuba as principal Communist warehouse and exporter of violence in our Western Hemisphere.

Soviet Chairman Andrey Gromyko was once quoted as saying: "America's greatest weakness is its inability to understand the Soviet Union's final goals." He was right. Today some still question our honorable commitment to peace. Well, forgive me, but those questions should be directed to

the Communists, not to the United States Government, to Nicaragua's dictator, who's been back in Havana again after the Cuban Third Party Congress vowed to defeat the United States and make communism victorious worldwide. It is the Nicaraguan Communists who dismissed all our efforts to promote internal dialog and who suspended talks with their neighbors, but we're still trying.

Next week I'm sending Ambassador Habib to meet with President Duarte of El Salvador, who has offered to resume talks with the guerrillas in El Salvador if the Nicaraguan Communists begin simultaneous talks with the prodemocracy forces in that country. Yet if the freedom fighters get only Band-Aids from the United States, while Nicaraguans get helicopter gunships from the Soviets—the same death machines they're using to massacre the Afghan

people—the Communists will feel no need to negotiate. Without power, diplomacy will be without leverage.

My fellow Americans, the question is not whether we want peace in Central America. The question is: Will we meet a growing danger from the Soviets, East Germans, Bulgarians, North Koreans, Cubans, and PLO camped on our doorstep—a danger which already is disrupting peace in Central America and will soon imperil our own security? That is the question which must be answered within the next 2 weeks. Our policy can keep Central America free without committing American troops.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD. Ambassador Philip C. Habib was the Special Envoy for Central America.*

## Remarks at a White House Briefing for Supporters of United States Assistance for the Nicaraguan Democratic Resistance *March 10, 1986*

Thank you very much. [*Applause*] Why do I wish you were all in the Congress? [*Laughter*] Well, the matter that brings us here today is, of course, a very grave one. I know how hard many of you've worked on this issue and how strongly you agree with me about its importance. As a matter of fact, here I am preaching to the choir.

But looking around this room today, I can't help but remember that story about the fellow who in later life was the only living survivor of the Johnstown flood. And he was frequently asked to speak, and finally he got to being out on the lecture tour and was practically making his living just telling his memories of that great disaster. And then came the day when he met his heavenly reward, and he went up there. But pretty soon he kind of began pestering St. Peter about maybe setting up a date or two up there so that he could tell about the Johnstown flood. Well, St. Peter said that the people up there did like to hear from

recent arrivals about how things were down here, so he set it up for him. He got all the saints and prophets and seraphim and cherubim together to hear the Johnstown flood story, and then he, St. Peter, introduced this veteran of the flood. And as the veteran stepped up to the podium, St. Peter whispered in his ear, "That fellow in the first row, second from the aisle, is named Noah." [*Laughter*]

Well, looking around this room today, I see a lot of Noahs when I'm talking about the Communist menace in Central America, so I don't think any of you need a long lecture on the realities at hand. This is an uphill battle in which we're engaged, but we're making progress. You can sense that the tide is turning in favor of the democratic resistance. Farsighted Democrats and Republicans are coming together in a realization of the common danger, and this is not some narrow partisan issue. It's a national security issue of paramount importance:

whether the Soviet Union will be permitted to establish a subversive base camp and military beachhead on the mainland of North America. On this issue we must act not as Republicans—or not as Democrats, but as Americans. As Scoop Jackson, who led the charge on Capitol Hill to save Central America, reminded us: “In matters of national security, the best politics is no politics.” So, I think it’s very important to put this current struggle in clear perspective, to realize that there is an exciting, hopeful dimension to it all.

The events of the last 3 or 4 years have seen the slow reconstruction of that anti-Communist coalition, that bipartisan consensus on foreign policy that once existed on Capitol Hill. I don’t have to tell any of you about far left ideology and the power that it once wielded here—an ideology that automatically identified anyone wearing fatigues, carrying a rifle, and spouting Marxist slogans as a liberator of his nation; an ideology that permitted many liberals to practice selective indignation, to hold to a double standard for certain dictators to judge these dictators, no matter how repressive or cruel, less harshly because they called themselves Socialists, Marxists, or Communists. But as I say, I think all this is fading now and realism is returning.

We’ve managed to work with the Congress to maintain a steady increase in the defense budget, to rebuild our strategic forces, to achieve a bipartisan consensus on the Kissinger commission. We managed to get aid to places like El Salvador and other nations in Central America and last year to not only get the approval of humanitarian aid to the freedom fighters but accomplish the near spontaneous repeal of the Clark amendment. You remember that that was the thing that prevented us from giving some support when we could have prevented there being a Communist government in Angola. Only a few years ago, to hope for all of this would have seemed to be asking for far too much. Yet all of this has happened, and I think it will continue to happen. What we’re seeing is the end of the post-Vietnam syndrome, the return of realism about the Communist danger. And now we’re ready for one of the final acts. The importance of this moment cannot be

underestimated. Think what signal we’ll be sending to the rest of the world when and if this aid to the freedom fighters in Nicaragua is passed.

And wouldn’t it be wonderful to someday see in Nicaragua the restoration of the democratic dream, to see in downtown Managua celebrations similar to those that we’ve seen recently in Queen’s Park, Manila, and Port-au-Prince, Haiti. And I think it’s there for the asking, and so, too, is the moral obligation. At a critical early stage, the United States gave hope and help to the freedom fighters in Nicaragua. We have a moral obligation now, after a couple of years’ gap, to continue that support.

I don’t think there’s anyone in this room who can forget the freedom fighters of 30 years ago. Who among us doesn’t remember November 1956 and that last radio message from Budapest: “Civilized people of the world, in the name of liberty and solidarity, we are asking you to help. Our ship is sinking; the light vanishes. The shadows grow darker from hour to hour. Listen to our cry. Start moving. Extend to us brotherly hands. People of the world, save us. SOS. Help, help, help. God be with you and with us.” That tragic plea could not be answered. That was when the tanks rolled down the streets—the Soviet tanks—in Hungary and crushed that revolution.

Now we have the chance to answer to a similar plea. So, I asked you to come here today for a simple reason. I know how much many of you are doing. I know how hard you’re fighting. I’m grateful, but not so grateful that I won’t ask you to do even more, to redouble your efforts, and to step up the fight.

In my first Inaugural I mentioned some words that Dr. Joseph Warren, not long before he was killed at Bunker Hill, said to his fellow Americans. They remind us of the importance of the fight for freedom—our own and that of others. And I would leave you with them now. He said: “Our country is in danger, but not to be despaired of. On you depend the fortunes of America. You are to decide the important questions upon which rest the happiness and the liberty of millions yet unborn. Act worthy of yourselves.” Well, I know you have been acting

worthy of yourselves, and I know you'll continue. But there are still some here in the Capital City who need to hear from you and to hear how important it is to let those people we are calling the freedom fighters—I know they're technically called the *contras*; well, I like freedom fighters better, because that's what they really are.

And they don't ask for that all-out sacrifice from us. To the contrary, they don't want our troops. They just want the means and the tools they need to get the job done. And for those people who would like to call them some kind of terrorists, let me just tell you one thing. One of our own people down there sometime ago, not too long ago, speaking to them, asked them why they weren't doing what the Communist guerrillas in El Salvador were doing. Why didn't they hit targets like powerplants and so

forth to cause more distress to the Sandinista government? And those *contras*, those freedom fighters, said: "No, that would hurt the people of Nicaragua, and we don't want to hurt the people, our people, in Nicaragua." I think they've earned our respect and our support.

Thank you very much. God bless you.

*Note: The President spoke at 11:32 a.m. in Room 450 of the Old Executive Office Building. Representatives of Citizens for America, Renaissance Women, the Eagle Forum, the American Security Council, Citizens for Reagan, the Baltic American Freedom League, the Federation of Hungarian Americans, the Polish American Congress, the Veterans of Foreign Wars, and the American Legion attended the briefing.*

## **Executive Order 12555—Protection of Cultural Property** **March 10, 1986**

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Convention on Cultural Property Implementation Act (Title III of Public Law 97-446; hereinafter referred to as the "Act"), and Section 301 of Title 3 of the United States Code, it is hereby ordered as follows:

*Section 1. United States Information Agency.* The following functions conferred upon the President by the Act are hereby delegated to the Director of the United States Information Agency, acting in consultation with the Secretary of State and the Secretary of the Treasury:

(a) The functions conferred by section 303(a)(1) concerning determinations to be made prior to initiation of negotiations of bilateral or multilateral agreements.

(b) The functions conferred by section 303(d) with respect to the determinations concerning the failure of other parties to an agreement to take any or satisfactory implementation action on their agreement; provided, however, that the Secretary of State will remain responsible for interpretation of

the agreement.

(c) The functions conferred by section 303(e) relating to the determinations to be made prior to the initiation of negotiations for the extension of any agreement.

(d) The functions conferred by section 303(f) relating to the actions to be taken upon receipt of a request made by a State Party to the Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property adopted by the Sixteenth General Conference of the United Nations Educational, Scientific and Cultural Organization (hereinafter referred to as the "Convention").

(e) The functions conferred by section 303(g)(1)(B) relating to the notification of Presidential action and the furnishing of reports to the Congress.

(f) The functions conferred by section 304(b) to the extent that they involve determinations by the President that an emergency condition applies with respect to any archaeological or ethnological material of any State Party to the Convention, subject

to the limitations of sections 304(c)(1), 304(c)(2), and 304(c)(3).

(g) The functions conferred by section 304(c)(3) to the extent that they involve determinations to be made and the receipt and consideration of an advisory report from the Cultural Property Advisory Committee by the President prior to extensions of emergency import restrictions.

(h) The functions conferred by sections 306(f)(6) and 306(g) relating to the receipt of reports prepared by the Cultural Property Advisory Committee.

(i) The functions conferred by section 306(h) relating to the determinations to be made about the disclosure of matters involved in the Cultural Property Advisory Committee's proceedings.

*Sec. 2. Department of State.* The following functions conferred upon the President by the Act are hereby delegated to the Secretary of State, acting in consultation with and with the participation of the Director of the United States Information Agency and in consultation with the Secretary of the Treasury:

(a) The functions conferred by section 303(a)(2) relating to the negotiation and conclusion of bilateral or multilateral agreements under the Act, subject to the restrictions of section 303(c).

(b) The functions conferred by section 303(a)(4) relating to obtaining a commitment on the exchange of archaeological and ethnological materials from a party to an agreement.

(c) The functions conferred by section 303(e) relating only to negotiation and conclusion of extensions of agreements under the Act.

(d) Except with respect to subsection 303(g)(1)(B), the functions conferred by section 303(g), relating to the notification of Presidential action and the furnishing of reports to the Congress.

(e) The functions conferred by section 304(c)(4) to the extent that they involve the negotiation and conclusion of agreements subject to advice and consent to ratification by the Senate.

*Sec. 3. Department of the Treasury.* The following functions conferred upon the President by the Act are hereby delegated to the Secretary of the Treasury, acting in consultation with the Director of the United States Information Agency and the Secretary of State:

(a) Subject to subsection (b) of Section 1 above, the functions conferred by section 303(d) to the extent that they involve the suspension of import restrictions.

(b) Subject to subsection (f) and (g) of Section 1 above, the functions conferred by section 304 to the extent that they involve the application of import restrictions set forth in section 307 and the extension of such import restrictions pursuant to section 304(c)(3).

*Sec. 4. Enforcement in Territories and Other Areas.* The Secretary of the Interior is designated to carry out the enforcement functions in section 314.

RONALD REAGAN

The White House,  
March 10, 1986.

[Filed with the Office of the Federal Register, 10:54 a.m., March 11, 1986]

## Nomination of Henry Bowen Frazier III To Be a Member of the Federal Labor Relations Authority

March 10, 1986

The President today announced his intention to nominate Henry Bowen Frazier III to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 1, 1990. This is a reappointment.

Mr. Frazier has been a member of the Federal Labor Relations Authority since 1979 and served as Acting Chairman until December 11, 1985. Previously he served for 6 years as the Executive Director of the



Federal Labor Relations Council. He joined the Council when it was established in 1970 as Chief of the Program Division and then served as Deputy Executive Director from September 1971 until his appointment as Executive Director in January 1973. Mr. Frazier previously spent 11 years in personnel administration with the Department of the Army. Immediately prior to joining the Federal Labor Relations Council, he was

Chief of Civilian Personnel Policy and Civil Rights in the Office of the Assistant Secretary for Manpower.

He graduated from the University of Virginia (B.A., 1956), George Washington University Law School (J.D., 1967), and Georgetown University Graduate Law Center (LL.M., 1969). He is married and resides in Alexandria, VA. He was born August 9, 1934, in Bluefield, WV.

## Remarks at a Dinner for the Republican Congressional Leadership *March 10, 1986*

Senator Majority Leader and Mrs. Secretary of Transportation Dole—I managed that one—[*laughter*]*—*Republican Leader Michel and Senators and Members of the House and ladies and gentlemen, having been on the mashed-potato circuit in an earlier life, I know the danger of before-dinner speeches. Of course, there are pitfalls for every speaker.

You know, there was a young minister, and one day he was asking for a little sympathy from an older, more experienced minister, when he said that some of those hot summer Sundays he would look out while he was preaching his sermon and the congregation would seem to be dozing off. And the older preacher said, “Well, I know, I’ve had that experience, but,” he said, “I found an answer to it.” He said, “When that begins to happen in the middle of your sermon, you just interrupt and say, ‘I want you all to know that last night I held in my arms a woman who was another man’s wife.’ And,” he said, “that’ll wake them up.” [*Laughter*] “And then,” he says, “you say to them, ‘And that woman was my dear mother.’” [*Laughter*] Well, time went by, and sure enough there was a Sunday and the young preacher was going at it. But they were beginning to doze off, and the kids were writing notes to each other, and some of the women were knitting, but mainly they were dozing off. And he remembered what he’d been told, so he said, “I want you all to know that last night I held in my arms a woman who was another

man’s wife.” And suddenly he was facing all those staring eyes, and everyone was awake. And he tried to continue, and he said, “And that woman—I forget who she was.” [*Laughter*]

It’s a pleasure to be with you this evening. Bob Dole and Bob Michel have been true champions of freedom and opportunity in the United States Congress. And I just hope we can bring to Congress more men and women just like them. We’re preparing ourselves for a historic election. In November the American people will determine the membership of the 100th Congress of the United States. And I want to thank each of you for what you’re doing to ensure that the 100th Congress is filled with the kind of dedicated and right-thinking individuals who will keep our country strong, prosperous, and at peace.

The battle we face is particularly vital, as you’ve been told, in regard to the United States Senate. I have no hesitation in stating that little of what we’ve accomplished in these last 5 years could have been done without Republican control of the United States Senate. And if you want to try—and one day maybe we can get to it—you might also figure that Bob Michel should be the Speaker, not just the Minority Leader of the House. It can’t be forgotten that after 4 years of total Democrat control of the Federal Government, both Houses of Congress, the executive branch, and all the departments and agencies, our people were suffering. Inflation, murderous interest rates, eco-

nomic decline, and national uncertainty were the order of the day.

The people who created the mess still cannot bring themselves to admit that the culprit that wreaked such havoc and hardship on our people was their very own policies. I think America's spectacular rebound underscores that our country wasn't suffering from tired blood in the late 1970's. It was suffering from tired ideas—wrong ideas. The liberals attribute all the success we've had in the last 5 years to luck, global trends, and the celestial effects of Halley's Comet—[laughter]—anything and everything except the real source of our progress. The reason things have turned around is that we have come at the problems facing America with a fundamentally different philosophy than what preceded us. Liberals called on government to play an ever-increasing role in the lives of our people. They relied on central planning, regulations, and bureaucracy. Is there any doubt about why our country in the late 1970's seemed to be humming along with all the efficiency of a Bulgarian shoe factory? [Laughter] If central planning were the way to a better world, we'd be importing our grain from the Soviet Union and not the other way around.

There's a story, incidentally, about a May Day parade in Moscow. First came the tanks and then the armored personnel carriers and the artillery and the missiles and then the marching troops with fixed bayonets, and finally at the end a black sedan with red flags flying and filled with men in gray suits. And a visitor from our part of the world who was there for the occasion asked a local citizen, "What is that?" And the fellow said, "That's our most lethal weapon. They're Socialist economists." [Laughter]

Well, by trusting in the people rather than government planners, by leaving resources in their hands instead of taking them away, we unleashed the most powerful and creative force on this planet: the American free enterprise system. Instead of giving government more power, we asked the people to accept more responsibility. Our reforms and tax rate reductions kicked off what is now 39 straight months of economic growth. The glitch in last month's unemployment figures notwithstanding,

more jobs have been created than in any industrialized nation or than all of our trading partners in Europe put together—more than 9 million, as a matter of fact, almost 10 million new jobs since the recovery began. And today there are more Americans employed than ever before—I should say a higher percentage of Americans of the total population employed than in the entire history of this nation. And more progress can be expected on this front as the economy picks up in the months ahead. The vitality of our small business, spurred on by the proliferation of computer technology, is giving a new dimension to the words "innovation" and "enterprise." Confounding the so-called experts, at the same time, growth has been high, inflation has remained at its lowest level in 25 years. And with interest rates edging down and the stock market shooting up, there is every reason for unbridled optimism about the future.

And tonight I want to express my deep appreciation to Senator Dole for the indispensable role that he has played in all of this. His leadership in the Senate, his strong hand and his responsible voice, have made a difference. He's forged a tough working alliance between the Senate and the executive branch. And, Bob, from the heart, I thank you.

With Gramm-Rudman-Hollings before us, there's much to be done in the weeks ahead. Now, I know that the gloom and doomers have been claiming that meeting the deficit reduction targets will require us to do everything but close down the Federal Government. Bob, you know, I'll bet if we left it up to the people in Kansas, they might just go for that. [Laughter] Seriously, though, I'm confident that with responsible trimming and Bob's leadership we can reach the deficit-reduction targets. Gramm-Rudman-Hollings gives us the opportunity to cut through politics. It opens the way for some much needed structural change—fundamental reform that will prevent future generations from being put behind the same deficit-spending eight ball as we are today.

As we work together to meet the Gramm-Rudman-Hollings targets, let's complement our effort with the passage of

Senate Joint Resolution 225, the balanced budget amendment to the Constitution. The American people know what it means to live within a family budget. They don't spend their hard-earned salaries on things that aren't absolutely necessary. And a balanced budget amendment would force Congress to be no less diligent with the people's money.

Experience suggests that government needs to operate within well-defined limits. The original purpose of our Constitution was not to give government power but to protect liberty by limiting the power of government. I've read a great many of the constitutions of other countries, other democracies, and also the Constitution of the Soviet Union. Even in that one, I found many things that are in our own. They don't observe it, of course—[laughter]—but they're in there. But where lies the difference in these constitutions—and I've taken great pleasure in telling this to student audiences—all those other constitutions say, "We, the Government, allow you, the people, the following privileges," and so forth. Ours says, "We, the people, allow the Government the following powers, and they have no other powers than those that are listed here, given to them by our permission."

And in protecting the people, Thomas Jefferson once suggested that one thing left out of the Constitution was a provision to limit the Federal Government's power to borrow. Well, it's about time we got around to following Jefferson's suggestion. I look forward to the day when I can run down there to that monument and see if that statue is smiling. [Laughter] The power to spend and the power to tax, of course, go hand in hand. Senator Hatch is proposing an amendment to Senate Joint Resolution 225 which would require a full constitutional majority from the Senate and the House, not just those present, from the total number, for the passage of any tax increase. And I'm certain Thomas Jefferson would

like that one as well.

What we're doing is laying the foundation for the country that our children will inherit. One crucial decision we must make in the days ahead concerns what we're willing to do to counter a real and growing threat to our south. As President of the United States, the security of our country is, by law, my paramount responsibility. Congress, however, is no less duty bound to America's safety. All of us in the debate over how to counter the Communist drive in Central America will be held accountable if, because of an inability to act, our country is put into jeopardy.

During his many years in the Senate, Bob Dole has supported those commitments necessary for the security of our country. He's been a stalwart supporter of the freedom fighters because he knows that helping them is not only the right thing to do, it is critical to the safety of our country. We never want to ask who lost Central America. We must work together, all of us in both parties, to see that it never happens.

Ladies and gentlemen, we live in exciting times. As you know, that's a Chinese curse. Well, we need not look at it that way. For free men and women, for Americans, there will always be exciting times because the future is in our hands. People all over the world look to us; the future generations of Americans depend on us. This is not a burden; this is a challenge. And I think we have every reason to be confident. In these last few years, we've recaptured that spirit of enterprise and love of liberty at the heart of what it means to be an American and against which no tyranny will ever prevail. So you just make sure that in the days ahead, the gentleman here on the platform tonight remains the majority leader of the Senate, Bob Michel—[inaudible].

Thank you all. God bless you.

*Note: The President spoke at 7:30 p.m. in the Grand Ballroom at the J.W. Marriott Hotel.*

## Remarks and a Question-and-Answer Session With Regional Editors and Broadcasters on United States Assistance for the Nicaraguan Democratic Resistance

March 11, 1986

*The President.* Well, good afternoon, and welcome to the White House. It's an honor to be able to speak to you, and through you, to the thousands of readers and listeners that you serve. Permit me to add, this is one day when I don't intend to say anything under my breath. [*Laughter*]

This afternoon I'd like to discuss a matter of overriding national importance—been talking about it here all through lunch. But it's the debate, the importance of the debate on Nicaragua. Nearly 7 years ago, the Sandinistas and all those others who'd rebelled against Somoza brought months of fighting to an end when they marched down the avenues of Managua and took control of the government. Thousands of Nicaraguans banked the streets. The new leaders claimed to embrace the highest ideals of democracy and individual liberty, and in the course of some 18 months, the United States provided them with \$118 million in economic aid. Nicaraguan businessmen began to hope for new prosperity. Nicaraguan journalists began to hope for freedom of the press. And throughout the country, millions of Nicaraguans dared to hope for democracy. And soon these hopes were crushed. Just months after taking power, the Communists began doing what they'd planned all along—they ousted their critics and fellow revolutionaries, they tightened their military grip on the nation, and then they censored the media in Nicaragua and suppressed free speech.

Today Radio Catolica, the voice of the Catholic Church, has been silenced; and Cardinal Obando y Bravo, primate of Nicaragua, has said: "We want to state clearly that this government is totalitarian. We are dealing with an enemy of the Church." La Prensa, the last independent newspaper, is subject to constant censorship and often violent threats. The Communists have driven the Jewish community from the country and persecuted the Miskito Indians, killing and imprisoning thousands of these

gentle people. Soviet, East German, Libyan, PLO, Cuban troops and advisers swarm over the country in the thousands. Corruption in the regime has become blatant. Last October Commandante Ortega pulled up to a Manhattan optician's shop in a 17-car motorcade to spend \$3,500 on designer glasses for himself, his wife, and his daughter. The Sandinistas, faced with internal unrest and disaffection, have responded to the cries of repression by the Nicaraguan people by building nine new prisons; Somoza had only one.

In a century that has witnessed monstrous crimes, Nicaragua has become the site of one of the most harrowing: the murder of liberty in a nation that had the chance to become free. Some predicted that Nicaragua would become like Cuba: a staging post for Communist subversion throughout Central and South America. Well, the prediction has already come true. The Nicaraguan Communists have built their lightly armed, 1979 force of 5,000 into a heavily armed army and militia of about 120,000. They are the principal suppliers of the Communist guerrillas in El Salvador. They provided the weapons to those who carried out the recent assassination of Colombia's Supreme Court justices.

This is awful. I've never had to do this in 25 years in show business. [*Laughter*] [*At this point, the President had difficulty speaking and took a sip of water.*] It's that cookie that didn't go all the way down. I was eating it fast because I knew they'd turned the lights on.

Well, they are the principal suppliers, I've said, of the Communist guerrillas in El Salvador, and what they did in Colombia—we have seen that and the great tragedy there. Hundreds of terrorists with clear ties to Nicaragua are now located in countries throughout Central and South America. Sandinista military units regularly cross the Nicaraguan border, intimidating their

neighbors in hopes of promoting unrest. Have the people in so many of these countries struggled to reemerge into the light of democracy only to be confronted with Soviet-backed efforts to subvert their new governments and snuff out their resurgent liberty?

Now Nicaragua, this Soviet satellite on our own continent, threatens the national interests of the United States. In purely military terms, Nicaragua's military bases could be used for strikes against our Caribbean seaports, avenues that bear roughly half our foreign trade and half our oil imports; but the graver risk arises from the threat that the Communists will continue to spread violence and unrest among their neighbors. Refugees—millions of them—would stream toward our borders, and for States like Florida and Texas, this flood would make the Mariel boatlift look like a trickle. In time, the United States could be forced to surrender Central America to the Soviet sphere.

Some say to our administration, why not negotiate? Well, that's a good question, but it's directed to the wrong party. Nine times we have sought to bring about direct negotiations between the resistance and the Sandinistas. Nine times the Sandinistas have refused to negotiate. So the truth is clear: The Sandinistas will come to the table only when they see the carrot of peaceful settlement backed up by the stick of well-equipped armed opposition.

Today the opposition, the brave Nicaraguan freedom fighters, numbers over 20,000 and has the growing support of the Nicaraguan people. To give the freedom fighters the help they need in countering their Soviet-equipped opponents, I've asked the Congress to vote them \$100 million in aid of already appointed funds, a modest amount when compared to what the Soviets are providing the Sandinistas. And make that point clear there: This is not new money that's going to add to the deficit. This is money already appropriated that is going to be redirected to this effort. Just how effective this aid to the freedom fighters would be becomes clear in considering their past support. The Soviet bloc gave the Nicaraguan Communists over \$500 million in aid. But last year we provided the free-

dom fighters with less than \$27 million in boots and Band-Aids. What happened? The freedom fighters have been battered. You can't defend yourself against Soviet helicopter gunships with bedrolls. But even at that, the freedom fighters were able to use mobility and surprise to keep the Sandinista forces largely on the defensive.

Now, we need to provide the aid we've requested, this time military as well as humanitarian, to see the ranks of the freedom fighters swell and their victories mount, forcing the Sandinistas to come to the table at last. In the last few days there's been talk here in Washington of compromise on this issue: smaller amounts of aid, delay in providing it, restrictions on the uses to which it could be put—all the usual temporizing and quibbles. Well, let me set the record straight. The Soviets continue to fund the Nicaraguan Communists with massive infusions of arms, cash, and so-called advisers. To delay or reduce the aid we've requested for the freedom fighters could be to send too little, too late. Those who would compromise must not compromise the freedom fighters' lives nor their immediate defensive needs. They must not compromise Latin America's democracies or our own southern borders. They must not compromise freedom.

So we call upon the Congress to vote the aid we've requested and to do so without delay. And we ask you, the members of the press, to help—you who can be so persuasive by way of your editorial pages and whose opinions are so valued in the communities you serve. And that we stand for freedom—just as we stand for freedom in the rugged land of Haiti, just as we believe in human rights for the green islands of the Philippines, let us take a stand for democracy in the mountains and the plains of Nicaragua.

And now, thank you all. I'll be happy to take some questions.

*Q.* One of the plans mentioned in the press this morning was the possibility of your accepting the full \$100 million on condition that it would not be used until you had tried diplomatic efforts for a specified period of time. Is this the kind of compromise that you find unacceptable? Or would

you agree to something like that?

*The President.* Well, I'll listen to any proposal that anyone wants to make that is tied to the idea of letting us come to the aid of these *contras*. But the only proposal of that kind that I had heard was one that involved a long period of time and, then, was not a sure thing. But they would then vote again to see whether we could have the money and use it. So I think that would be counterproductive. I think it would destroy the morale of the *contras*, and they would be asked to live through a great period of time with no assurance that they're ever going to get the funds. And I don't think that would be a compromise that I could listen to at all.

*Q.* Mr. President, this sounds like the domino theory hitting us again. It did this in the sixties with regard to Vietnam, Cambodia, Thailand, etcetera. Is this the Latin American version of the domino? Aren't you a little wary about using the term "domino" because of its negative connotation?

*The President.* Well, I hadn't used it. But let me just suggest where there is one difference. The domino theory was expressed as a theory of what could happen with regard to the Vietnam situation. But here, we have firm evidence. We have the documents that were seized in Grenada, documents from the Soviet Union; documents from the Cuban Government to their counterparts there in Grenada and outlining the future plans and naming the future targets. And many of those documents began with the gloating sentences: "We now have Cuba and Nicaragua and Grenada . . ." and then went on to where the other targets are. So, the dominoes have already been named by the people who are going to tip them over. But I would like to also say—and with all respect—before we start sneering at those who threatened dominoes, the North Vietnamese are now at the border of Thailand, and the dominoes did begin to fall.

*Q.* Mr. President, this morning Defense Secretary Weinberger indicated that he feels certain American troops would never be used in Nicaragua if you got the \$100 million aid. Do you feel that's true?

*The President.* Yes. I believe that the image of the great colossus of the North is

too fresh in the peoples' minds in Latin America for us to even think about sending troops of that kind. But where—I have said there could come a day, and it wouldn't be going in to intervene there—but where we were under hostile attack ourselves, because that cancer that is Nicaragua would have been allowed to spread until it became a force that could target things of interest to us and of interest to our national security in the Caribbean, to say nothing of—well, one of their officials early on made a statement about that we could expect to see them at the borders of Arizona and New Mexico, meaning that they did have ambitions. This is the threat to the possibility of American forces—that there would come a day when we, ourselves, would be faced with hostile actions against our best interests.

*Q.* Mr. President, in addition to Nicaragua, among the topics of concern to those of us in New England is organized crime. The Federal Government recently won a major conviction there for organized crime people in New England. I wonder if you would expound for just a moment on a statement you made earlier that this administration has organized crime on the run.

*The President.* Well, I think there has—yes, there's been a great increase in the arrest and conviction of figures in organized crime throughout the country. And we do have a program, and we have had a commission that has just brought in a report which reveals how much more embedded in our legitimate society and the economy organized crime is, and so we've got more information to go on. But we're determined that that is a major target of our Justice Department.

I'd better switch to the other side of the room.

*Q.* Mr. President, I'm from Miami. By the way, next Friday we're going to have a march in support of your policy in regards to Nicaragua in Miami, and we expect several thousands of people there.

*The President.* Well, bless you, and thank you.

*Q.* Sir, the question is we keep hearing about a second Cuba. Some people may think that we would be satisfied with one

Cuba. Are you happy with one Cuba? [Laughter]

*The President.* No. I think this is, here again, we can look back and second-guess all that was done at that particular time and wish we had done other things than we did do. But, no, and I feel this way about most of the world that is under those totalitarian governments. I think that this last great island of freedom in—the world has to look down the years and see if our destiny does not involve restoring to freedom someday and that could be simply by means of our example and whatever it took to—you know, every year we still recognize a Captive Nations Day.

*The President.* Yes?

*Ms. Mathis.* Last question.

*The President.* Last? Oh, sorry.

*Q.* Mr. President, do you believe that the public has sufficiently gotten behind your request for aid to the *contras*? And if not, then, why not, sir?

*The President.* No, they haven't. And our own polls indicate that there is a great feeling and many people saying what are we doing in that little country, and where is it and so forth. I think that a great many people—there's a lack of understanding, and that's why I'm going on the air Sunday night. But also there is a great disinformation network that is at work throughout our country, and it's a custom that was established by the Soviet Union. And a great many people are confused. They think, for example, the message has been that—what are we doing backing revolutionaries who are trying to overthrow a legitimate government? Well, there's nothing legitimate about the Sandinista government at all. After a revolution against Somoza, they took over at the point of a gun, they ousted the revolutionaries who didn't agree with them. They have had one so-called election, if you could call it that. They wouldn't let anyone run against them, and they wouldn't allow campaigning. And then they said they'd done their democratic duty and came to New York to buy those designer glasses. So it isn't an established or a legitimate government. But the American people—Thomas Jefferson said if the American people know all the facts, they will never make a mistake. And I think we

haven't completed the job of letting the American people know all the facts. And we're sure going to try to do that.

This young lady told me that I've had the last—could I just one—all right. She's very nice. [Laughter] She's kind. But I won't push my luck too far. This will have to be it.

*Q.* Mr. President, I would like for you to elaborate a little bit on what you said a moment ago about a disinformation network throughout the country that has undermined your efforts to enlighten the public about Nicaragua.

*The President.* Well, a number of people that go down there, and that are sympathetic to the other, and then come back and tell the stories of what they've seen—no repression and the people are happy with the government and so forth. There's quite a network of those covering lots of lines of activities, probably well-intentioned; I don't know. I'm not going to fault their motives.

But also the other day I had handed to me a slick paper publication, a magazine—\$3.75 an issue—and this magazine is published by the Nicaraguan Information Foundation. And it is filled with propaganda. It is a propaganda thing against the *contras* and against us and in favor of them. And one prominent university professor had written a lead article in this particular issue, and if that's what he tells his students, God help them, because it was pure propaganda. And they've hired lobbyists in this country, professional lobbyists who make their case before the Congress. And it's false stories that can be refuted by others that go down there.

I remember one story having to do with a Catholic bishop who was hailed in the press as having rescued some refugees that he was trying to get across the Honduran border. On foot they were making their way through the jungles. And the story said that they were attacked by *contras* before they got to the Honduran border. Well, this bishop came back to the United States, and I phoned him and asked him about his story and all about this. And he said, yes, he had led this band of refugees out of Nicaragua into Honduras. "But," he said, "before we got to the border we were attacked by Sandinista armed forces, and we were rescued

by the *contras*." Now, the story somehow went off on a different tack when it was published.

But it is a program of—constantly aimed at—that big imperialist United States is off again doing the wrong thing. But I don't think we are, and I think that the Nicaraguan people—you'd be surprised at the proportion of the *contras* who are former Sandinista soldiers drafted into that army, but who deserted. You'd be surprised at what we've heard from nearby governments about the flood of young men whose families smuggle them out of the country before they can be drafted into that army. And the—much of the leadership, this charge that they are Somozistas—the *contras*. Well, the leaders—two of the three that were here in the United States recently were

both imprisoned by Somoza, and they are former revolutionaries, most of these people.

Well, I know that I've taken too long here, and I'm sorry I can't take the rest of the hands. This is as bad as a press conference. [Laughter] Someday I'll convince them I shouldn't make that speech, I should just stand up here and take the questions instead, and then we'll do it. But thank you all for being here. I appreciate this very much, and it's been a pleasure to be with all of you here.

*Note: The President spoke at 1:08 p.m. at a luncheon in the State Dining Room at the White House. Susan K. Mathis was Special Assistant to the President and Director of Media Relations.*

## Nomination of Salvatore R. Martoche To Be an Assistant Secretary of Labor

March 11, 1986

The President today announced his intention to nominate Salvatore R. Martoche to be an Assistant Secretary of Labor (Labor Management Standards). He would succeed John J. O'Donnell.

Since 1982 Mr. Martoche has been a U.S. Attorney for the Western District of New York. He was a member of the Attorney General's Advisory Committee from 1983,

acting as the vice chairman in 1984 and chairman in 1985. From 1969 to 1982, he was in the private practice of law.

Mr. Martoche graduated from Canisius College (B.S., 1962) and the University of North Dakota School of Law (J.D., 1967). He is married, has three children, and resides in Buffalo, NY. He was born October 12, 1940.

## Nomination of Frank W. Naylor, Jr., To Be a Member of the Farm Credit Administration Board, and Designation as Chairman

March 11, 1986

The President today announced his intention to nominate Frank W. Naylor, Jr., to be a member of the Farm Credit Administration Board, Farm Credit Administration, for a term of 6 years. Upon confirmation the President will designate him Chairman. This is a new position.

Since 1981 Mr. Naylor has been serving

as Under Secretary of Agriculture for Small Community and Rural Development, United States Department of Agriculture. From 1976 to 1981, Mr. Naylor served as Senior Vice President of the 11th Farm Credit District in Sacramento, CA. He was Associate Administrator of the Farmers Home Administration in 1973–1976. From



1972 to 1973, he was Executive Assistant to the Administrator, Veterans Administration. Mr. Naylor was Deputy Administrator of the Federal Crop Insurance Corporation in 1969-1972.

Mr. Naylor was graduated from the Uni-

versity of Kansas (B.A., 1961). He served in the U.S. Navy during Vietnam and was awarded the Navy Commendation Medal. Mr. Naylor is married, has two children, and resides in McLean, VA. He was born February 7, 1939.

## **Nomination of Marvin Duncan To Be a Member of the Farm Credit Administration Board**

*March 11, 1986*

The President today announced his intention to nominate Marvin Duncan to be a member of the Farm Credit Administration Board, Farm Credit Administration, for a term of 4 years. This is a new position.

Since 1985 Mr. Duncan has been serving as Senior Deputy Governor in the Farm Credit Administration. From 1975 to 1985, he served as Vice President and economist for the Federal Reserve Bank in Kansas

City, MO. Previous to this, Mr. Duncan held various research and educational posts while earning his master's and doctoral degrees.

Mr. Duncan graduated from North Dakota State University (B.S., 1957; M.S., 1972) and Iowa State University (Ph.D., 1975). He is married, has three children, and resides in Fairfax, VA. He was born June 3, 1935.

## **Nomination of Patricia Diaz Dennis To Be a Member of the Federal Communications Commission**

*March 11, 1986*

The President today announced his intention to nominate Patricia Diaz Dennis to be a member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1980. She would succeed Henry M. Rivera.

Since 1983 Mrs. Dennis has been serving as a member of the National Labor Relations Board. From 1979 to 1983, she was assistant general attorney for the American Broadcasting Co.; from 1978 to 1979, she

was an attorney with the same company. From 1976 to 1978, she was an attorney with the Pacific Lighting Corp. Previous to this, she was with the law firm of Paul, Hastings, Janofsky, and Walker.

Mrs. Dennis graduated from the University of California at Los Angeles (A.B., 1970) and Loyola University of Los Angeles School of Law (J.D., 1973). She is married, has three children, and resides in McLean, VA. She was born October 2, 1946.

## **Appointment of Richard Donald Wood as a Member of the President's Export Council**

*March 11, 1986*

The President today announced his intention to appoint Richard Donald Wood to be

a member of the President's Export Council. He will succeed James H. Cavanaugh.

Mr. Wood currently serves as president and chief executive officer of Eli Lilly and Co. He serves as director of the boards of various banks and financial organizations, including Dow Jones & Co., New York Chemical Corp., and Chemical Bank.

Mr. Wood graduated from Purdue University (B.S., 1948) and received his M.B.A. from the University of Pennsylvania. He is married, has two children, and resides in Indianapolis, IN. He was born October 22, 1926.

## Letter to Senate Majority Leader Robert Dole on the Nuclear Testing Limitations Bill

*March 7, 1986*

*Dear Bob:*

As you know, on February 26 the House of Representatives passed H.J. Res. 3, "To Prevent Nuclear Testing," and this issue is now before the United States Senate. The resolution calls for the immediate ratification, without needed verification improvements, of both the Threshold Test Ban Treaty (TTBT) and the Peaceful Nuclear Explosions Treaty (PNET). It also calls for the resumption of negotiations with the Soviet Union toward a Comprehensive Test Ban (CTB), despite the fact that the U.S. Government has made clear its very serious reservations in taking such a step under present conditions.

Any limitations on nuclear testing must be compatible with our security interests and must be effectively verifiable. Because of the continuing threat that we face now and for the foreseeable future, the security of the United States, its friends and its Allies must rely upon a credible and effective nuclear deterrent. A limited level of testing assures that our weapons are safe, effective, reliable and survivable and assures our capability to respond to the continued Soviet nuclear arms buildup. Such testing, which is conducted underground, is permitted under the existing agreements on nuclear test limitations, all of which the United States fully complies with—the TTBT, the PNET, and the Limited Test Ban Treaty (LTBT).

A CTB remains a long-term goal of the U.S. However, it must be viewed in the context of achieving broad, deep and verifiable nuclear arms reductions, substantially improved verification capabilities, a greater

balance in conventional forces and at a time when a nuclear deterrent is no longer as essential an element as currently for international security and stability.

A first, priority step toward this goal is the pursuit of equitable and verifiable arms reductions in the current negotiations in Geneva on nuclear and space arms. We are, at the same time, seeking Soviet agreement to enhanced verification measures for the TTBT and PNET and are discussing verification problems of a CTB at the Conference on Disarmament in Geneva. Our concerns are heightened by the pattern of Soviet noncompliance with its arms control obligations, including current agreements on limiting nuclear testing.

Our efforts to achieve essential verification improvements include three approaches to the Soviets in 1983 to engage in discussion. In 1984 I proposed an exchange of Soviet and U.S. experts to measure directly the yields of tests of nuclear weapons at each other's test sites. In mid-1985, I unconditionally invited Soviet experts to measure such a test at the Nevada Test Site, bringing with them any instrumentation devices they deemed necessary. In December, 1985, I proposed to Secretary General Gorbachev that U.S. and Soviet experts on nuclear testing limitations meet in February, 1986, to discuss our respective verification approaches and to address initial tangible steps to resolve this issue.

Regrettably, the Soviet Union has thus far not responded either to the serious U.S. concerns in this area or to any of our initiatives to address these concerns in a con-

structive manner.

The actions called for by H.J. Res. 3 do not serve the interests of the United States, our Allies and our friends. They would undercut the initiatives I have proposed to make progress on nuclear test limitations issues, and they would set back prospects on a broad range of arms control efforts, including the achievement of deep, stabiliz-

ing, and verifiable arms reductions.

Sincerely,

/s/ RONALD REAGAN

*Note: The original was not available for verification of the content of this letter, which was released by the Office of the Press Secretary on March 12.*

## Statement by Principal Deputy Press Secretary Speakes on Farm Assistance

March 12, 1986

The President has authorized the Secretary of Agriculture to transfer \$700 million from the Emergency Farm Loan Program to the Direct Operating Loan Program in order to assure that American farmers will have adequate financing to plant new crops this spring. The President made his decision yesterday afternoon after his meeting with the Economic Policy Council.

The demand for Farmers Home Administration direct operating loans will exceed the \$1.5 billion that is available for this fiscal year so, thereby, the transfer of emergency loans. Fourteen states have already exhausted their FmHA direct operating loan allocations and cannot offer additional direct loans with the present funding.

The President also authorized an additional \$50 million to be transferred from the Guaranteed Business and Industry Loan Program to the Guaranteed Operating Loan. The President also intends to sign the Food Security Improvements Act of 1986.

These are technical corrections that are being made to the farm bill that was passed at the end of last year. We've had some serious questions about it, and we worked with Congress on it. And we're now satisfied that the bill has been modified to the point where we can accept it.

The most troublesome point to us was the advance loan provision, and we wanted it clarified. It was introduced by Senator Harkin, and we wanted to clarify it so that the provision would be discretionary, not mandatory. Mandatory would have been extremely costly. In fact, if it had been held as mandatory, it could have run anywhere from \$500 million to \$1 billion over the next 3 years. We are still concerned about the cost of the Harkin amendment. We will exercise discretion in this funding provision.

*Note: Larry M. Speakes read the statement to reporters at 9:26 a.m. in the Briefing Room at the White House.*

## Informal Exchange With Reporters Prior to Special Envoy Philip C. Habib's Departure for Central America

March 12, 1986

*The President.* Ladies and gentlemen, this is kind of a farewell to Ambassador Habib, who has served us so nobly elsewhere and more recently in the Philippines, and is now on his way to Central America. He will

be meeting with President Duarte and then also going on to Costa Rica, Honduras, Guatemala—in regard to the problem down there.

*Q.* Why can't he go to Nicaragua? Why

are you stopping him from that, which seems to be—

*The President.* If there was any benefit and that presented an opportunity, I'm sure that he would. But because we are still seeking some openings, some negotiations with the Sandinistas, which, well, nine times now, they have refused.

*Q.* Well, why not send him on this trip, sir? Why not send him to Nicaragua on this trip?

*The President.* You don't go where you're not invited.

*Q.* Are you leaving it open? Are you opening the possibility to resume the direct talks?

*The President.* I trust in his judgment. If anything comes up that would show that there might be any prospect or any profit in doing that, I am sure that he would make that decision.

*Q.* He has the flexibility to go to Managua if it becomes necessary or if it's—

*The President.* You bet he does.

*Q.* Mr. President, your critics say that this is just a cover, you're not interested in negotiation. He's just sent down to try to prove to them that you are, when in fact you aren't.

*The President.* Sam [Sam Donaldson, ABC News], the critics have been making ridiculous noises for a long time and that's one of the most ridiculous.

*Q.* Your top military—

*The President.* Nine times we have tried to persuade the Sandinista government to enter into negotiations and nine times we've gotten nowhere.

*Q.* Your top military man, General Galvin [Commander in Chief, U.S. Southern Command], said today that even if you don't give aid to the *contras*, they're not going to collapse, sir.

*The President.* Maybe we have a difference of opinion.

*Q.* Are you going to compromise?

*Q.* With your top military man?

*The President.* They haven't met Ambassador Habib yet.

*Q.* Are you going to compromise?

*Q.* Mr. President, have you picked up any votes as a result of this emergency farm aid? Has that picked up any votes for *contra* aid?

*The President.* I don't know. I'll find out when they vote.

*Q.* Mr. Habib, are those designer glasses you have on there?

*Ambassador Habib.* These? [Laughter] No, they're just the ordinary kind any fellow could pick up.

*Q.* If the Nicaraguans invite him, will he go, Mr. President?

*Q.* Do you really need an invitation? Do you really need an invitation?

*The President.* He'll make the decision on that.

*Q.* Are you going to compromise in the end, sir?

*The President.* What?

*Q.* Are you going to compromise in the end?

*The President.* As I tried to explain the other day, and I didn't say anything about me making a compromise, I said we're going to listen to, we'll talk to anyone that's got anything to offer.

*Q.* How about a 60-day—

*Q.* Why won't you talk to Ortega? Why don't you sit down with Ortega, then?

*The President.* Well, I've told you, we've gotten no place in nine efforts of negotiations.

*Q.* How about a 60-day delay, sir? How about a 60- or 75-day delay for negotiations?

*Q.* With the Congress?

*The President.* We're continuing to talk about all possibilities like that.

*Q.* Arturo Cruz says that—

*Q.* Are you going to tone down Buchanan?

*Q.* Arturo Cruz says that you could—

*Q.* Are you going to tone down Buchanan?

*The President.* I like what he says.

*Q.* Did you or Mrs. Reagan—did you put pressure on Merv Griffin and Joan Rivers—did you or Mrs. Reagan, to cancel Patti's interview?

*The President.* No. No.

*Q.* Why not? [Laughter]

*The President.* I hope she makes a lot of money.

*Q.* Yes, but a lot of people think it's not a very good book.

Q. Have you read it?

The President. Yes.

Q. Did you like it?

The President. I thought it was interesting fiction. [Laughter]

Note: The exchange began at 10:07 a.m. on the South Grounds of the White House.

Earlier, the President and Ambassador Habib met in the Oval Office. Patrick J. Buchanan was Assistant to the President and Director of Communications. The final questions referred to Patti Davis' book entitled "The Home Front," which was published in 1986.

## Remarks at the Presentation Ceremony for the National Medals of Science and Technology March 12, 1986

Thank you, and welcome to the White House. To paraphrase an earlier President, this must be one of the most extraordinary collections of talent and human intelligence that has ever come together in one room in the White House, with the possible exception of when Thomas Jefferson dined alone. [Laughter]

You know, a favorite story of mine is about one of the first times the White House played host to an event concerning science and technology, and that was back in '76—1876. A demonstration of a recently invented device was put on here for President Rutherford B. Hayes. "That's an amazing invention," he said, "but who would ever want to use them?" He was talking about the telephone. [Laughter] I thought at the time when I heard him that he might be mistaken. [Laughter] We've come a long way from those times. But I sometimes feel that, just like President Hayes, some of the journalists who cover our everyday political affairs here in Washington have a tendency to miss the real news: the transforming discoveries and achievements that you and your colleagues are making every day.

I remember just a little over 5 years ago when all the headlines were of shortages. Every morning it seemed we read some new scare story telling us that the Earth's resources were about to run out for good, leaving our world poorer and shrinking our hopes for the future. But at the same time, scientists, inventors, and entrepreneurs were mining the most abundant resource in the world: the human mind and imagina-

tion. Men and women such as you, with the spirit of discovery, enterprise, and achievement, have been opening up new worlds of possibility and transforming all our lives for the better.

Whole industries have sprung up around what were only, years ago, merely ideas in the minds of scientists and inventors. New grains and agriculture techniques have alleviated hunger. New vaccines have conquered some of mankind's most dreaded diseases. Quantum leaps in technology are making possible greater prosperity and personal fulfillment than mankind has ever known. In the computer industry, for instance, miraculous advances in productivity are now almost commonplace. Let me give you an example, although I'm sure you could provide many more. In one semiconductor plant in Pennsylvania in 1957, each worker produced five transistors a day for \$7.50 apiece. Today each worker produces over a million semiconductors every day, each one costing a fraction of a penny.

Some say that about 90 percent of all scientific knowledge has been generated in the last 30 years alone, and we'll likely double it by the end of the century. Such an explosion of knowledge creates an unprecedented opportunity to expand the global economy, to bring prosperity and hope to those corners of the world that for too long have known only deprivation and want. The United States must take the lead in making this happen. And you who are on the cutting edge of human achievement understand that freedom is not a luxury but a

necessity. Freedom to think, freedom to imagine and create, these are not privileges, but the very source of our life's bread and the hope of mankind's future. How can government aid the cause of human progress? Well, in 1985 alone we invested over \$49 billion in research and development. Now, this is an important role, but it's even more important to knock down the barriers to progress that government itself has created. And that's why we've rolled back needless government regulations, cut tax rates—and we plan to cut them again.

I can't help but remember an incident back when I was an adjutant on an airbase in World War II and learned of a letter that bucked all the way up to the top of the military command asking for permission to destroy some records that were just filling the file cases and that were no longer of any use. And when the mail came back down with permission from the person in the top command, it was permission granted to destroy those records, providing that copies were made of each one. [Laughter] But our tax cuts, I believe, revitalized the entrepreneurial economy, creating over \$20 billion in new venture capital, over \$25 billion in new public stock offerings, and an explosion of new business creation with over 600,000 new companies forming every year for the last 3 years in a row. Now, this represents the application of knowledge to human needs on a massive scale, much of it made possible by the breakthroughs of you and your colleagues.

But as we look at the record of scientific achievement, there remains one area crying out for attention. I believe that our nuclear dilemma presents us with some of the major unfinished business of science. We have begun research on a nonnuclear defense against nuclear attack. As I said before, yesterday's impossibilities have become commonplace realities today. Why should we start thinking small now? In protecting mankind from the peril of nuclear destruction, we must be ambitious. We can't lock ourselves into a fatalistic accept-

ance of a world held in jeopardy. In this area, more especially, we must approach the future with vision and hope that reach for the greatest possibilities. Only if we try can we succeed. You know, people who say it can't be done—they remind me of a story, too. At my age practically everything reminds me of a story. [Laughter]

Back in 1842 the royal astronomer in Great Britain studied Charles Babbage's new analytical engine, the forerunner of the modern computer, and pronounced it worthless. His foresight was almost equal to a half-century later when the head of the U.S. Patent Office advised President McKinley to abolish the Patent Office because he said, "Everything that can be invented has already been invented." [Laughter] Well, if science has taught us anything, it's taught us not to be modest in our aspirations. The fact, I have to confess, is that fact is my secret agenda for bringing you all here today. I'm going to ask all of you to turn your attention to the budget problem.

Well, congratulations! You're all heroes in the cause of human progress. God bless you all. And now I will step away from the podium, and we shall have the awards.

*Note: The President spoke at 1:40 p.m. in the East Room at the White House. John P. McTague, Acting Director of the Office of Science and Technology Policy, assisted the President in presenting the awards. Recipients of the 1986 National Medal of Science were Solomon J. Buchsbaum, Stanley Cohen, Horace R. Crane, Herman Feshbach, Harry B. Gray, Donald A. Henderson, Robert Hofstadter, Peter D. Lax, Yuan Tseh Lee, Hans W. Liepmann, Tung Yen Lin, Carl S. Marvel, Vernon B. Mountcastle, Bernard M. Oliver, George E. Palade, Herbert A. Simon, Joan Argetsinger Steitz, Frank H. Westheimer, Chen Ning Yang, and Antoni Zygmund. Recipients of the 1986 National Medal of Technology were Bernard Gordon, Reynold B. Johnson, William C. Norris, Frank N. Piasecki, Stanley D. Stookey, and Francis VerSnyder.*

## Message to the Congress Reporting Budget Rescissions and Deferrals

March 12, 1986

*To the Congress of the United States:*

In accordance with the Impoundment Control Act of 1974, I herewith report three new rescission proposals totaling \$61,377,000, six new deferrals of budget authority totaling \$1,209,629,624, and five revised deferrals of budget authority totaling \$394,054,125.

The rescissions affect programs in the Department of Energy.

The deferrals affect programs in the Departments of Agriculture, Energy, Interior, and Treasury, and Funds Appropriated to

the President.

The details of these rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN

The White House,  
March 12, 1986.

*Note: The attachment detailing the proposed rescissions and deferrals was printed in the "Federal Register" of March 17.*

## Interview With Representatives of the Baltimore Sun

March 12, 1986

*Aid for the Nicaraguan Contras*

*Q.* We're grateful—the bureau chief has deferred to me to let me ask the first question. And first of all, I'd like to say we're grateful that you've taken the time to meet with us today. And if—since I know your time is very limited, we'd like to just get started right now. Mr. President, some Members of Congress are proposing a delay in military aid to the *contras* to allow time for another attempt to draw the Sandinistas into negotiations with the *contras*. Would you accept some delay—if not 6 months, which I know you don't want—but some delay in providing military aid if that meant Congress would approve your request?

*The President.* Well, I think there's several ways in which things like that are being suggested. First of all, from the time that they would—if they would vote to approve this aid, there would be a period of time before it would actually be carried out. And, yes, if there's any possibility that during that time, and perhaps to forestall such aid, that they would then be willing to come to the negotiating table—as we've tried to get them nine times already—and to negotiate with the *contras*, that'd be fine.

But if we're talking about some kind of a compromise where the Congress imposes a delay and takes the trigger away from me in—

*Q.* You mean like requiring a second vote?

*The President.* Yes, there would be a second vote and so forth, I think this would be most counterproductive because the Sandinistas would feel they could hang on longer with the hope that we still wouldn't get what we're asking for.

*Q.* It sounds like the trigger is the problem. If, for example, a delay of, say, 60 to 75 days, after which the aid would go whether—without a second congressional vote, does that seem like the basis for a compromise to you?

*The President.* Well, I'd be willing to talk to them about something of this kind. I wouldn't want to commit to this because, as I say, the important thing is that the Sandinista government must not be left any loopholes in which they believe there still might be a denial of this help.

*Q.* So, your real problem is the trigger in the second vote?

*The President.* Yes, yes. They have to

know that we mean it and that we're going to help the *contras*.

Q. Mr. President, some administration officials have said that 18 months of military aid to the *contras* is all that will be needed to bring the Sandinistas to the negotiating table and that you will not be back for more. Alfonso Robelo, one of the *contra* leaders who you met with here last week, has said he doesn't feel that anything more than 18 months would be needed, and he didn't feel that they would want to prolong the bloodshed there beyond that. What happens after 18 months and the *contras* have still not forced the Sandinistas to the negotiating table?

The President. Well, I think this is something that you have to look at if such a time should come. But I'm pleased that those men who are most familiar with the resources of the *contras* have that feeling. They are acquainted with their ability. There is no question that when we were able to give them some help, the *contras* were giving the Sandinista forces great problems. But you've got to remember that for the last couple of years, other than the humanitarian aid, they were shut off. And that's why they're so limited in the numbers. They've got a potential force of around 25,000. There are about 6,000 now fighting in Nicaragua. But this is a matter of the lack of arms and munitions.

Q. Well, it does sound, Mr. President, that you're not saying that 18 months is necessarily the end of it and you might, in fact, have to come back for more. Is that correct?

The President. I would—yes, I think it would be foolish to commit yourself to anything of that kind because this, too, then could stiffen the Sandinistas' resistance and say all we have to do is hold out for 18 months.

Q. Mr. President, you have said that the overriding issue in Central America is America's national security. You've also said, if I may quote: "We send money and material now so we'll never have to send our own American boys." Is it possible that someday American troops will have to be sent?

The President. Well, here's the thing everyone is overlooking. Here is this third

Communist—well, let—I can't call it an attempt. Here would be the third of the bases that they had established, the Communist bloc, and the first one on our mainland. And they, themselves, have made it plain that they're part of the expansionist philosophy, that Marxian philosophy and belief of a one-world Communist state. Now, what you have to say is, if we do nothing and this is allowed to grow and expand and carry its revolution across other borders, then the threat would remain that there would come a day when their hostilities would be directed at our own interests. And that is the time in which you could say that, yes, then American forces would be involved because the hostilities were directed at us. I don't see it, as some interpret it, that, well, we're leaving the door open; that we may still use troops down there. I don't think we'd have a friend left in Latin America if we used American forces. The image of the great colossus of the North is still too much in their minds. The *contras* don't want us. They want our help, they want the tools. They've made it plain; they will furnish the manpower. So when I said three, I noticed you kind of paused and looked at each other there.

Let me point out something that everyone is neglecting up there on the Hill to pay attention to. When we, in the Grenada operation, got possession of all those documents, as well as the arms and the weapons that were already installed in Grenada by the Soviet bloc, we got documents from the Soviet Government, from the Cuban Government addressed to the Communists there in Grenada. And over and over again they referred to that they had Cuba, they had Nicaragua, they had Grenada, and then they went on to discuss what the future goals were and the other targets there in Central America and the Caribbean. So that there was no question about this being a target for Soviet expansionism, using proxies the way they have now with Cuba and all. So the goal is made very plain. Now, this last—again, this threat that a Nicaragua could pose, when I was in Grenada the nine Prime Ministers of the tiny Caribbean island nations unanimously—and they brought it up, I wasn't even discussing this



subject. They brought it up to me. They said, "You must continue helping the rebels in Nicaragua because this Nicaragua, under this government, is the greatest threat to our existence, to those nine nations." So, we're not the only ones that see this as a cancer that must be excised.

*Q.* Now, as part of the request to Congress for aid to the *contras*, there is a provision that would allow the use of CIA contingency funds, and I was wondering, on top of the \$100 million that you're asking, I was wondering, well, why is the use of these funds considered necessary, and what would they be used for?

*The President.* Well, because under restrictions that have already been put on us by Congress, we can't give advice, we can't offer training, we can't exchange intelligence information with the *contras*. And we feel that if we're going to help them with weapons and arms that we ought to be freed of those restrictions and allowed to provide this other assistance to them.

*Q.* I see. By that other assistance, do you mean additional funding over and above the \$100 million?

*The President.* No, it isn't that as much as it is—well, or whatever the cost might be and being able to give them military intelligence and help with military planning.

*Q.* One of the conditions, sir, the United States has set for Nicaragua is the holding of free elections. If free elections were held and the Sandinistas won, would we accept the result?

*The President.* I think we'd have to. This would—then we'd be back to a case similar to the Philippines in which the whole goal of the revolution and of the negotiations would be a government that would be chosen by the people of Nicaragua. Remember that the *contras* are supporting a guarantee that was given to the Organization of American States of what the revolution against Somoza was supposed to gain. They provided that information to the Organization of American States when they asked the Organization to try and persuade Somoza to step down to end the killing. And he did. But before they asked him to, the Organization asked the revolutionaries to give them what were their revolutionary goals. And they were provided, and the

goals were a pluralistic, democratic society, free speech, freedom of religion—all the things that go with democracy. And it was the Sandinistas, as one faction of the revolution, that ousted their fellow revolutionaries when they got control—took over and installed a totalitarian, Communist regime. Now, the *contras* say what they want is to get back to the original goal which requires letting the people of that country make the decisions to how they want to be governed.

*Q.* Mr. President, in your current campaign to try to raise votes for the *contra* aid next week, you and some of your aides have been emphasizing that the people who don't support you on this are going to be held accountable by history, or by whomever, for their failure to back you up on it. And my question is since this includes a lot of Republicans, as well as Democrats, whether you're going to be unwilling to support in the coming congressional election those people who don't support you on this vote?

*The President.* No, and I think—let me—no, I think the thing has been—that whole question has kind of been exaggerated into assailing the motives of the people that would vote against us. Well, we're not doing anything of the kind. What we're pointing out is what I said earlier—that the choice here is either negotiations leading to a political settlement or this cancer continuing to grow. What we're trying to point out is that this isn't an argument about two methods of dealing with the problem—if one wanted to do one thing and wanted another, but the goals were the same. What we're trying to make them realize is that it's an either/or situation. Either we are able to press them into negotiating and coming to a political settlement or they remain a Communist base, another Cuba.

*Q.* Does that mean you won't have any political hard feelings toward Republicans who don't back you up on this?

*The President.* Well, I think I'd better—I'd just better swallow hard and not answer a question like that.

#### *Soviet-U.S. Relations*

*Q.* Mr. President, in reaction to your order that the Soviets have to reduce their

mission at the United Nations, the Soviets have sent up a formal protest note and said that such actions as that "do not create the climate for a summit." Do you have any comment on that?

*The President.* Well, yes. So far we have not heard—or I have not certainly heard of anything from the General Secretary. But remember, this isn't like an Embassy where there is retaliation or—this is the one place, the United Nations—and it's the only one, and it is here in our country. And they have a delegation that is larger than the next two delegations, to them put together. And there's no way that you can justify the size of their delegation here except that they have other goals than just the—

*Q.* In other words, they're spies. Is that what you're saying, Mr. President?

*The President.* Yes, and I think that we have enough knowledge of their actions to know that they're there for that purpose—for other purposes and for espionage, not for the doings of the United Nations.

*Q.* Mr. President, it does seem, though, that the promise of Geneva just 6 months ago is largely unfulfilled right now—arms control talks have bogged down, there is inability to set the date for a new summit, and now the staff reductions. Has a new chill entered U.S.-Soviet relations?

*The President.* No, this project has been on our minds for quite some time. The arms talks—I still continue to be hopeful because the General Secretary in his proposals—this is the first time I can recall any Soviet leader actually being willing to eliminate weapons they already have. And we in turn accepted a great many of their figures and their proposals, but there were—it's a complicated thing because we don't both have the same numbers of the same kinds of weapons, and so we then put in some—taking their proposal in which, as I say, in overall terms: 50-percent reduction, ultimate elimination, and so forth—we accepted. We put in some other things that we thought were essential to such a program, and there were no further negotiations.

In other words, they have, at the moment, seem to be in a position in which we accept their offer entirely or else. And we think that negotiations mean that you try to find a common meeting ground on

some differences that you may have in there on figures. And we have not had a response. We put before our people there in Geneva the framework for meeting their proposal and with some changes that we felt should be made because of fairness and expediting the program, and we've had no response.

*Q.* Well, I mean, is it your sense, though, that this 6 months' post-summit period has been as hopeful as you had thought it might be, or has it, in fact, been something of a downer for you, a disappointment?

*The President.* Well, we didn't come home with any euphoria or anything from that meeting. We did come home pleased with the fact that they had agreed and shown an agreement to have future meetings. We don't think that's been done away with. But also, we've had people over there—Charlie Wick has had people with him over there on the matter of exchange, cultural exchange and youth exchange, and all of this. And apparently they were better meetings than we've ever had in the past with them. He met with officials at extremely high levels. They were most enthusiastic about wanting to go forward with these exchanges, so—and the fact that I have a communications channel to the General Secretary. No, I think that the conditions are better than they had been before.

*Q.* Mr. President, the General Secretary links a summit and progress on arms control and, on the other hand, does not seem to have loosened the strings on his negotiators in Geneva. Do you think that Mr. Gorbachev really wants an arms control agreement, and do you think he really wants a summit meeting this year?

*The President.* I have to say his willingness and his eagerness to have us come there in the following year leads me to believe that nothing has changed on that. With regard to arms control, yes, because I think he is very much aware of the economic situation in his country and the part that their massive military buildup has played in that economic problem. And I think that he would much prefer to have practical arms agreements, arms reduction agreements, rather than to face a continued arms race.

*Q.* Sir, may I ask you, have you a deadline for setting the date for a summit meeting? Must it be done, for example, before you go to the economic summit meeting?

*The President.* No, I haven't asked for that kind of a deadline. We've made it plain to them that it would be very difficult, inconvenient for us to—the one hint that was put out by them of possibly September or later—well, we have an election in our country. Now, I know they don't understand our elections as much as they should, not having free elections of their own. But we've explained that it must be earlier, before we actually get into the full extent of that election campaign.

*Q.* Is it at all possible that you could meet after the election?

*The President.* I don't—we haven't—I suppose, but by that time we're getting pretty late in the year. We'd listen to that and look at it. I hadn't thought about anything after that time.

*Q.* But your preference is still June or July?

*The President.* Or July, yeah.

#### *Strategic Defense Initiative*

*Q.* Mr. President, may I ask you a question about the Strategic Defense Initiative? If some parts of it prove feasible earlier than others, would you be in favor of deploying those parts when they are feasible, such as the ground-based protection of our Minuteman and MX missiles?

*The President.* I'd have to seriously think about that, because I have already said, and I told General Secretary Gorbachev, that we viewed this as a defense for all of mankind and as something that could really make it possible and practical for the elimination of nuclear weapons every place. To go forward with a deployment without a lot of further meetings and exchanges would then appear that we might be seeking to get a first-strike advantage. And I think that would be the most dangerous thing in the world, for either one of us to be seen as having the capacity for a first strike.

*Q.* So your inclination would be to wait until the whole thing is both feasible and negotiable?

*The President.* Or if whatever, as you say, in part, became feasible, okay, then go ear-

lier to both our allies and to the others and say, "Look, here is the potential now for this weapon and we want it to be used for all mankind," and see what we could work out.

*Q.* Mr. President, one other thing, you have spoken of a proportional response to the Soviets' treaty violations as you see them. And yet you haven't announced that response yet. Are we about to have it sprung on us soon?

*The President.* Well—[laughter]—

*Q.* Have you decided?

*The President.* We haven't sat down actually with regard to theirs and what our response would be. But this one, on this one, this only has to deal with the SALT II.

*Q.* Yes.

*The President.* The other thing, the nuclear test ban, this one, we're willing to meet them on that except that we can't get a satisfactory answer yet on real verification. Now, we have offered to let them come here with whatever equipment they wanted to bring and be witness to one of our underground tests. This is a treaty where we think they have been in violation. It's rather difficult to determine from the great distance whether they've exceeded the agreement on the size of the explosion. And we would want better verification before we go forward with some of these.

*Q.* Well, could we be sure of the safety and reliability of our weapons if we abandon all testing, if there were a comprehensive ban?

*The President.* No, I think the greatest—here's where again that their proposal is unfair to us. It's in the time that they set. They are ahead of us in modernizing and expanding their weapon systems, developing new ones. We're still playing catchup. They have tested and are now deploying their modernized and their newer weapons. For us to stop where we're still playing catchup, leaves us in a position of increased inferiority to them. And it wouldn't be fair for us until we've made the same tests comparatively with our—that they have made with their new and improved, modernized weapons. Then we could talk, but with better verification than we now have—we could talk such a test ban.

*Space Shuttle*

*Q.* Mr. President, on the space shuttle disaster, our paper had a story last week that the White House had issued a national security decision directive in 1984 which targeted 24 shuttle missions a year and operating in the black for the shuttle program. Do you believe that the kind of pressure that that put on the shuttle program could have been, in any way, responsible for what happened down there?

*The President.* No, and we have never done anything except to approve their schedule. They have told us what they were capable of doing, and I have put out a thing like—that we want it by a certain time down the years here, if possible to have a manned space station. And this is a program that I've announced, and they were to go after it, but we have never, ever—and I—some of those rumors that came out that we had insisted on this particular launching. We have never from here suggested or pushed them for a launch of the shuttle. I would—good Lord, I would feel that I was way out of my depth in trying to do that. I am not a scientist and they are. They're the judge of that.

*Q.* Immediately after this happened, you responded to your conversations with the families of some of the victims and said that you were determined that the program would go forward. In view of things that have been discovered by your commission since then, and in view of some of the statements by the astronauts themselves that they had serious reservations about the safety of the program based on what they'd learned—two things: Do you think that the public relations aspect of it in which teachers, journalists, and others would go along should be continued or curtailed under those circumstances?

*The President.* Well, we want the program. When I responded to the—I responded to the families. Every family, those people that I talked to, in their conversation, they made it plain to me that they felt this program had to continue; that this was what their loved ones, now departed, would have wanted. And they wanted me to tell them, and I told them, yes, it will. Yes, we have no intention of canceling the program

because of this tragedy. You know, when you look at it, you have 24 times right and 1 accident, 1 wrong—you can't cancel out the program. But I have also said since, and we have all agreed here, that now that these things are coming out, that the program must rectify all these shortcomings that had never before been mentioned so that we know that the safety factor that should be there is there.

*Q.* Well, do you think that those civilians should still be allowed to, considering all that?

*The President.* Oh, yes, you asked about that. Yes. You know, from the very beginning—almost the very beginning, once we established that it was practical—there have been people up there conducting experiments—scientists, for example, who are not astronauts, but who are there to carry on the great advances that have come to us by way of those shuttle experiments—in medicine and other things—are so great that I don't see any reason why this policy should not continue.

*Q.* And so you think that teachers and journalists and those should go, too?

*The President.* I think that all of them—you have to look at each one to see, does it have some value or is it just publicity? Everything that's been done so far, there seemed to be a logical value in this. You know, here we have a privately supported junior astronaut program in our country that's become quite a feature of our educational system and all. And so, I think you could—I think the teacher thing had a value. But I think that every case should be looked at as to what was the possible value of having a civilian along. But I don't think we should just blanket it that only astronauts are going up there to loose satellites and do things of that kind. The experiments that can be conducted and the things that we've learned from that program, things that have to do with heart ailments, the possibility that we now have of a medicine for the first time to cure diabetes that can only be produced in outer space.

*Q.* Well, do you think we should build a new shuttle to replace *Challenger* or lay off some of those assignments on unmanned missions?

*The President.* I haven't had a chance to talk with the people involved there about three and what the difference would be between three and four myself. And I would be more or less inclined to go by the information that they might have as to what would be the setback in having 25 percent of the flying force eliminated.

*Mr. Speakes.* Mr. President, we're cutting into your next appointment here.

*Q.* Could I just—you could use the word "shortcomings," Mr. President, you said shortcomings that have come out in the course of this investigation. Is it your feeling at this point now, after having seen what has evolved in the course of the Presidential Commission's study that in fact there were shortcomings in the way that NASA has handled this particular—

*The President.* I think I'm going to—all I know are the things that we keep hearing about. I'm going to have to wait until I actually hear from the Commission and their evaluation of what they've learned and the fact that astronauts have said there were other potential liabilities that they had become aware of. Let's read out on all of those. We do know now that, while we're still waiting to have it actually declared what was the cause of this tragedy, we still know that the rings on those two particular rockets are affected by cold. Experiments have revealed that. So, whether that turns out to be the ultimate cause or not, it ought to be something that we find an answer to.

*Q.* It does appear, though, that what's transpired in the aftermath of the tragedy has been concern on your part about procedures, if not knowing for sure, but concern, is that true?

*The President.* Yeah. I would—I think what—or as far as anyone can know, you know. There's a limit beyond which you can't go. Anyone who gets in an airplane knows that, that there are things that can happen.

*Q.* Mr. President, thank you for your time, sir.

*The President.* Well, thank you. I think I'll leave that to you, or I'm going to tear my—[inaudible]—

*Linda Chavez*

*Q.* Mr. President, are you going to make it over to Maryland to campaign for your former staffer, Linda Chavez?

*The President.* Well, she—[inaudible]—with the nomination first.

*Q.* Oh—[inaudible]—get you into that.

*The President.* No, I can't participate in primaries.

*Q.* Thanks a lot.

*Q.* I did have to ask this last question: Have you ever sent out for Chinese food in this place? [Laughter] I've always wanted—

*The President.* No.

*Q.* Have you ever wanted to?

*The President.* I don't think I've ever thought about—[laughter]—

*Q.* Thank you.

*Note: The interview began at 11:40 a.m. in the Oval Office at the White House. Participants included Robert R. Timberg, Charles W. Corddry, Ernest B. Furgurson, and Walter Broening. Larry M. Speakes was Principal Deputy Press Secretary to the President. The transcript of the interview was released by the Office of the Press Secretary on March 13.*

## Statement by Principal Deputy Press Secretary Speakes on the Situation in South Africa

March 13, 1986

In congressional testimony yesterday, Chet Crocker agreed to an assertion by Congressman Wolpe that, in a general sense, the ANC [African National Congress]

is one of many organizations engaged in a struggle for freedom in South Africa. They are using a variety of means. Crocker also noted our longstanding opposition to the

policy of violence of the ANC and our concerns about that organization's ties to the Soviet Union.

On majority rule: We have consistently called for a system of government that recognizes the rights of all South Africans, including political rights. The South African Government itself has recently acknowledged the need to provide for universal suffrage. It's up to South Africans to negotiate

a constitution. A truly democratic constitution by definition provides for majority rule with protection for minority rights.

*Note: Larry M. Speakes read the statement to reporters at 9:26 a.m. in the Briefing Room at the White House. Chester A. Crocker was Assistant Secretary of State for African Affairs.*

## **Nomination of George R. Salem To Be Solicitor of the Department of Labor**

*March 13, 1986*

The President today announced his intention to nominate George R. Salem to be Solicitor for the Department of Labor. He would succeed Francis X. Lilly.

Mr. Salem has been serving as Deputy Solicitor of Labor since April 1985. Previously he was a partner in the law firm of Thompson, Mann and Hutson in Washington, DC. He also served as a consultant to

the Senate Committee on the Judiciary, Subcommittee on the Constitution, in 1982.

He graduated from Emory College (B.A., 1975), Emory University School of Law (J.D., 1977), and Georgetown University Law Center (LL.M., 1984). He is married, has two children, and resides in Springfield, VA. He was born December 24, 1953, in Jacksonville, FL.

## **Appointment of John A. Montgomery as a Member of the President's Cancer Panel**

*March 13, 1986*

The President today announced his intention to appoint John A. Montgomery to be a member of the President's Cancer Panel for a term expiring February 20, 1989. This is a reappointment.

Dr. Montgomery is senior vice president and director of the Kettering-Meyer Laboratory at Southern Research Institute in Bir-

mingham, AL. He has served on the President's Cancer Panel since 1983.

Dr. Montgomery graduated from Vanderbilt University (A.B., 1946; M.S., 1947) and the University of North Carolina (Ph.D., 1951). He is married, has four children, and resides in Birmingham, AL. He was born March 29, 1924, in Greenville, MS.

## **Remarks at an Exhibit of Weapons Captured in Central America**

*March 13, 1986*

Vice President Bush, Secretary Shultz, Secretary Weinberger, Assistant Secretary

Abrams, and you three gentlemen, thank you for this eye-opening presentation.

Thomas Jefferson understood that if the people know all the facts, the people will never make a mistake. Well, it's frustrating at times that information like what we have just heard today does not seem to be percolating through to the public. Even some well-intentioned elected officials seem to be operating under outrageously false assumptions.

These captured weapons, the vivid description of subversive activity, and the portrayal of repression that was provided here—all of these are proof of Sandinista crimes against their neighbors and against the people of Nicaragua. These weapons and the testimony that we've seen and heard demonstrate the magnitude of a sophisticated Communist effort to undermine democracy in this hemisphere and to deceive us in the process. These rifles, landmines, grenade launchers, and other weapons did not just miraculously appear in the hands of Communists in El Salvador or the M-19 terrorists in Colombia. They were placed in the hands of those who would eliminate liberty, wreak economic havoc, and destroy democracy by forces opposed to our very way of life.

The regime which has built—now, I was going to say 9, but now I've been corrected, it is 10—new prisons in Nicaragua and runs drugs to poison our children is backed by an extraordinary support network of international Communists. One doesn't need to be of a particular party or even privy to secret information to see what's happening in Central America. It's clear: Nicaraguan Communists are using their country as a staging area for aggression against their neighbors, while totally subjugating their own people. Their campaign of internal repression and external aggression is being aided and abetted by the Soviet Union, Cuba, East Germany, Bulgaria, Iran, Vietnam, Libya, and other radical states, movements, and organizations.

The fledgling democracies of Central America cannot be expected to stand alone against this kind of concerted, international Communist effort. And let's make no mistake—this nation, too, is threatened. If we do not act now to counter this subversive aggression by helping the brave men and women of the Nicaraguan democratic resist-

ance, Americans will, in the not too distant future, look to the south and see a string of anti-American Communist dictatorships. And if that happens, it'll do no good to ask who's to blame. It will be an irreparable disaster. And that's why I'm asking the Congress to set aside partisan politics and act now to protect our national security by helping those who want a democratic outcome in Nicaragua.

America needs to hear the testimony of individuals like the ones we have with us today—men who were on the inside on the other side. Senor Romero was a former rebel commandante in El Salvador. He offers firsthand knowledge of the vicious crime the Communist regime in Managua is perpetrating on the people of El Salvador. Alvaro Baldizon, a former member of Nicaragua's state security forces, was sickened and disillusioned by the brutality, repression, and the shroud of lies in which the Communists draped themselves. And Senor Archibald who was tortured and jailed—these three are only a few of the many who deserve to be heard by decisionmakers. I would hope that all Members of Congress who have not had a chance to hear their message or have not seen this display will take the time to do so. And the display will be on Capitol Hill next week.

What we heard from these brave men also confirms that the Communists have surrounded their aggression and internal repression with a well-managed campaign of lies, distortion, and—just as we've been told here—disinformation. The masters of deceit have outdone themselves, but Americans can and will see through this smokescreen. The Communist goal is to paralyze us, to prevent us from doing what is necessary to save Central America; but they will not succeed. Ultimately, in a free society the truth will be heard. And today I think we've got before us some facts that the American people need very much to hear. And I hope that all of you will make it a point to spread the word. The stakes are too high to sit this one out.

Thank you, and God bless you.

*Note: The President spoke at 1:53 p.m. in the Diplomatic Lobby at the State Depart-*

*ment. The Vice President, Secretary of Defense Caspar W. Weinberger, Secretary of State George P. Shultz, and Assistant Secretary of State for Inter-American Affairs El-*

*liott Abrams also viewed the exhibit. In his opening remarks, the President also greeted three Central American freedom fighters.*

## **Message to the Senate Transmitting the Tunisia-United States Convention on Taxation and Fiscal Evasion**

**March 13, 1986**

*To the Senate of the United States:*

I transmit herewith, for Senate advice and consent to ratification, the Convention between the Government of the United States of America and the Government of the Tunisian Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (referred to hereafter as "the Convention"), together with a related exchange of notes, signed at Washington on June 17, 1985. I also transmit the report of the Department of State on the Convention.

The Convention is the first income tax treaty to be negotiated between the United States and Tunisia. It is based on model income tax treaties developed by the Department of the Treasury, the Organization for Economic Cooperation and Development, and the United Nations. It deviates in some respects from the models to reflect

Tunisia's status as a developing country and an importer of capital.

The Convention provides rules with respect to the taxation of various types of income, such as business profits, personal service income, and investment income. It also contains standard provisions guaranteeing a foreign tax credit, ensuring nondiscriminatory tax treatment, and providing for exchanges of information and administrative cooperation to avoid double taxation and prevent tax evasion.

I recommend that the Senate give early and favorable consideration to the Convention, together with the related exchange of notes, and give its advice and consent to ratification.

RONALD REAGAN

The White House,  
March 13, 1986.

## **Announcement of the Proposal of Barber B. Conable To Be President of the International Bank for Reconstruction and Development**

**March 13, 1986**

The White House today announced the United States has proposed to other member governments of the International Bank for Reconstruction and Development the election of Barber B. Conable to succeed A.W. Clausen as President of the World Bank. The present term of Mr. Clausen, who has been President since 1981, will expire on June 30, 1986.

Mr. Conable, 63, currently is a distin-

guished professor at the University of Rochester (NY). After serving for 20 years as a U.S. Congressman from New York, he retired in 1985. From 1977 until his retirement, he was the ranking Republican member of the House Ways and Means Committee.

In departing on June 30, Mr. Clausen will leave behind an institution with a more effective set of tools to cope with the chal-



lenges to development in the coming years.

Mr. Conable was, at the time of his retirement from the U.S. House of Representatives, Chairman of the House Republican Research and Policy Committee. As a member of the House Ways and Means Committee for 18 years and as a member of the Joint Economic Committee, the House Budget Committee, and the Joint Committee on Taxation, Mr. Conable has demonstrated extensive knowledge of economic and financial matters, both domestic and international. Mr. Conable presently serves on the Presidential Blue Ribbon Commission on Defense Management. He previously served on three other Presidential commissions: the Commission on Private Sector Initiatives, the Commission on Social Security Reform, and the Commission on Chemical Warfare Review.

Since Mr. Clausen assumed the Presidency of the World Bank on July 1, 1981, the

Bank has conducted the most searching reform of its activities in its 40-year history. To cope with international financial difficulties, the Bank has expanded lending in support of fundamental economic policy changes in major borrowing countries by expanding its policy-based loans from 8 percent of total lending before Mr. Clausen's arrival to an estimated 20 percent this year.

The Bank's President is elected by its Board of Executive Directors, who are selected by the member governments and cast weighted votes in proportion to their capital contributions to the Bank. The United States Director casts about 21 percent of the total vote. It has been customary since the organization of the Bank and the International Monetary Fund in 1946 for the Bank's President to be an American and for the Managing Director of the IMF to be a citizen of another member country. The present Managing Director of the IMF is J. de Larosi re of France.

## **Nomination of Ronald Frank Lehman II for the Rank of Ambassador While Serving as the United States Negotiator on Strategic Nuclear Arms**

*March 14, 1986*

The President announced today his intention to nominate Ronald Frank Lehman II for the rank of Ambassador during his tenure of service as United States Negotiator on Strategic Nuclear Arms. Dr. Lehman will succeed Ambassador John G. Tower in that position.

Since January 1985 Dr. Lehman has served as Deputy U.S. Negotiator for Strategic Arms with the personal rank of Ambassador while remaining as Special Assistant to the President for National Security Affairs. On January 29, 1986, Dr. Lehman was appointed to be Deputy Assistant to the President for National Security Affairs (Defense Policy).

Prior to joining the NSC staff, Dr. Lehman was Deputy Assistant Secretary of Defense responsible for nuclear forces and arms control policies and has served as a representative to the U.S.-U.S.S.R. bilateral

discussions on nuclear proliferation. More recently, Dr. Lehman was a representative to the U.S.-Soviet talks on Direct Communication Links. Dr. Lehman has also served as a member of the professional staff of the Senate Armed Services Committee. Over the years, Ron Lehman's official responsibilities have involved him in significant international meetings and discussions, including arms negotiations in Geneva, Vienna, and Moscow, the NATO countries, Eastern Europe, the Soviet Union, Japan, South Korea, Southeast Asia, and the People's Republic of China. Ron Lehman came to Washington in 1974 as a public affairs fellow of the Hoover Institution on War, Revolution, and Peace in Stanford, CA; worked as a legislative assistant on Capitol Hill; and in 1980 served with the office of policy coordination of the office of the

President-elect Ronald Reagan. Ron Lehman has achieved the rank of major in the United States Army Reserve, is Airborne-qualified, and served in combat in Vietnam. He has taught graduate-level courses on arms control at Georgetown University.

Dr. Lehman graduated from Claremont Men's College in California (1968) and received his Ph.D. in government from the Claremont Graduate School (1975). He currently resides with his wife in Arlington, VA. He was born March 25, 1946, in California.

## Message on the Observance of St. Patrick's Day, 1986

*March 14, 1986*

Nancy and I wish everyone a very happy St. Patrick's Day. This is the feast day of the Apostle of Ireland and a time to celebrate the heritage of Irish Americans, their part in building America and preserving our freedom, and the long friendship and close ties between the peoples of the United States and Ireland.

We're told that one in six Americans can claim Irish ancestry. The Reagan family certainly does. We're separated from Erin by several generations and by an ocean—but those of Irish descent know that such small matters are no barriers at all in affairs of the heart like ours with the Emerald Isle.

That's especially so on St. Patrick's Day,

when we remember with pride the accomplishments of the Irish around the globe and here in America. The affinity of the Irish and American peoples is natural and rewarding. Our shared commitment to democratic values, liberty and freedom binds us closely as we work together to build a world in which these values will flourish.

So, on this St. Patrick's Day, let's celebrate a rich heritage and a deep friendship, and let's resolve to keep doing so "while grass grows green in Erin." God bless you—or in Irish—"Beannacht De Ort."

RONALD REAGAN

## Remarks to Elected Officials During a White House Briefing on United States Assistance for the Nicaraguan Democratic Resistance

*March 14, 1986*

I can't start my brief remarks here without remarking about the herculean job that has been done by [United Nations] Ambassador Kirkpatrick and the schedule that she's on. And I'm deeply grateful for what she has been doing on behalf of this particular cause. And I hope I won't be plowing plowed ground with my remarks here. But welcome to all of you—Republicans and Democrats. I know that this is a bipartisan group, and that's good because I want to continue discussing a question that needs a bipartisan solution.

One of the reasons that we've asked you here is that we know you're influential back

home. You're community leaders, and your words and views are respected. We're hoping to win your support on the question of Central America, because we know that'll help us in the support of Congress. I know you came here knowing a lot about what's going on in Nicaragua, and our previous speakers here have never been known for being shy about presenting the facts. There's probably no one in this country who knows more about the realities of what's happening in Central America than Ambassador Jeane Kirkpatrick and Elliott Abrams.

What I want to do today is simply address

some of the questions that people have about the freedom fighters, the so-called *contras*. A lot of people who support the *contras* never call them *contras*, by the way, because *contra* is short for counter-revolutionary. And counterrevolutionary used to mean pro-Somoza; it was a Sandinista insult. By the way I see it, Somoza has been gone a long time. The revolution that toppled him then became a Communist coup, and so the *contras*, so-called, are against it. So, I guess in a way they are counterrevolutionary, and God bless them for being that way. And I guess that makes them *contras* and so it makes me a *contra*, too. I bet you're glad I cleared that all up for you. [Laughter]

But they're fighting for freedom, and all of this has to do with my first point. I'll call it slander number one: the charge that the *contras* are former members of Somoza's national guard, who were fighting to restore a dictatorship. Well, the truth is all three leaders of the *contras*—Adolpho Calero, Alfonso Robelo, and Arturo Cruz—fought against Somoza. Calero and Cruz were imprisoned by Somoza. These men aren't fighting the Sandinistas because they're Somozistas. They're fighting the Sandinistas because they're patriots; they're fighting for the only true revolutionary idea of the latter part of the 20th century, and that is democracy. As for the *contra* troops, well, the average age of the freedom fighters is about 20. So, a lot of these soldiers were 13 years old when Somoza fell. And they're supposed to have been in the national guard—his troops; I don't think they were.

Slander number two: The U.S. is only picking on the Sandinistas because, well, because we're cultural imperialists. And who are we, anyway, to judge their form of government? Well, you mostly hear this sort of thing from the "Blame America Firsters." Now, it happens to be famously true that our feelings towards democracy are much like Churchill's when he pointed out that democracy is the worst form of government except for all those other forms that have been tried before from time to time. But we're not supporting democracy for, well, should I call it merely idealistic reasons. We're trying to build and strengthen democracy in Central America because de-

mocracy brings peace and communism brings war. So, you see, we're motivated by some very practical considerations. Democracies bring peace because democratic governments serve at the will of the people. And it's very hard to convince people—mothers and fathers—to send their sons off to war.

Communist governments, on the other hand, exert almost total control over the people of their society, from the state-run media that gives them nothing but propaganda to the secret police that drag their sons away in the night. It's not hard for them to wage war. And their whole reason for being is to spread the revolution, to strike ultimately at the very heart of the West. And that's what the Sandinistas mean to do. They're players in a drama whose aim is to spread communism throughout this hemisphere. They can't do it peacefully because almost nobody wants the product they're pushing, so they have to do it violently. Overt, covert, guerrilla warfare, terrorist campaigns, disinformation—they'll do what they have to. But they're not operating independently. They're just part of the new mob, part of the 20th century's answer to Murder Incorporated.

I have to tell you right here, I have been collecting stories that I can absolutely establish are told by the people behind the Iron Curtain, in the Communist bloc. And they're stories that reveal their kind of cynicism about the system under which they live. And one of the more recent ones that I heard was about the man walking along the street at night in Moscow. A Soviet soldier called for him to halt. He started to run; the soldier shot him. And another man said, "Why did you do that?" "Well," he said, "curfew." "Well," he said, "it isn't curfew yet." He said, "I know. He's a friend of mine. I know where he lives. He couldn't have made it." [Laughter]

Slander number three: This is the one that the *contras* will never stop the Sandinistas. Well, talk about self-fulfilling prophecies. Yes, if we give the *contras* no help, if we send them out there to fight with carbines that last saw action in the Korean war, if we give them nothing but a pat on the back and a roll of bandages, yes, they'll

probably lose. And the people who refused to help them will sit back and say, "See, we always said they were losers." Well, the truth is there are over 20,000 freedom fighters who are desperately waiting for everything from shoes to ammunition. And when they get them, they'll move. And when they move, they'll win.

I think we should ask ourselves one question: Why is it that the Communists have had to engage in the forcible relocation of at least 80,000 Nicaraguans—a campaign that has included the burning of the peasants' homes, the destruction of farms, and the placing of the Miskito Indians in detention camps? Why have they done this? To discourage the general population from giving aid and assistance to the freedom fighters. These freedom fighters are popular with the people because the people, like the revolution they once supported, have been betrayed by the Sandinistas. I think what we're starting to realize is that the Sandinistas are increasingly aware of their—or afraid of their own people.

Slander number four: The U.S. never gave the Sandinistas a chance, and that is why they turned out so bad. Well, there is some truth in this. We didn't give them a chance—we gave them about a million chances. I won't repeat the whole sad history here, but I do want to address the issue of talking to the Sandinistas at the peace table. We've tried to do it. We've encouraged the Contadora process. We've tried to resolve this question through negotiations, and we're still trying. And the Sandinistas have not been interested in talking seriously and sincerely. All of a sudden, now their apologists come out and say, "Oh, it's time to give new talks a chance." Well, that sounds just fine and peaceful and nonharmful; but what some people don't seem to understand is that if we delay aid for a few months while we're talking, the Sandinistas will take that time and use it to finish off the *contras*. That's the Communist strategy—to kill them off. And when the execution is complete, they'll end the talks.

I ask you one question: Have you ever in your reading of history heard of a Communist regime that just couldn't wait to negotiate itself into a democracy? I'm afraid it's a little like a skunk negotiating itself into a

rose; it doesn't happen a lot. [Laughter] I shouldn't, I know, but that does trigger another one of those stories I've picked up from over there. They came to General Secretary Gorbachev, and they told him there was a woman in the Kremlin and she wouldn't leave unless she could see him. So, he said, "Well, bring her in." And they brought her in. And he said, "Old mother, what is it?" She said, "I have a question." And he said, "All right." She said, "Was communism invented by a politician or a scientist?" "Well," he said, "a politician." She said, "That explains it. The scientist would have tried it on mice first." [Laughter]

But I believe the truth is obvious. The Sandinistas will come to the negotiating table only when they see the carrot of peaceful settlement backed up by the stick of a well-equipped armed opposition. And nothing is as urgent as the question of Nicaragua. There is no question that faces this administration, there's no question, I think, that faces our times, that is more crucial to our future than what happens in Central America. And this is the time to help. You've heard the saying over and over again, the cliché, "Time is everything." Well, in this case, it's true. If we help now, we can literally turn the situation around and change the future. If we fail now, I think we guarantee untold problems for the people of Central America and for our own children.

When I was a young man back in the 1930's, a war was simmering in Europe. England was imperiled, and its great leader looked across the sea to us for hope. Churchill asked for military assistance. He said, "If you give us the tools, then we'll do the job." And we gave them the tools, to our everlasting credit. I think all of us—or some of us—can still remember Lend Lease and the destroyers and so forth on their way across the ocean.

Today Adolpho Calero, Alfonso Robelo, and Arturo Cruz look to us for hope, and we must help them. History will know what we did, and it will know what we didn't do. And history will judge. I've made my position clear. I need your help as much as the *contras* need our help. I need for the Con-

gress to know that you want to help the freedom fighters. I am talking to them constantly, and they're telling me more and more of the people that they're hearing from back home who don't want us to do this. But there's been a great and very sophisticated disinformation program abroad, including high-priced lobbyists here in Washington, all working for the Sandinista cause, and all portraying them as the good guys in this particular fight.

Well, yesterday, over at the State Department, I stood with three men, all of them veterans from the south. One had been a Communist guerrilla against the El Salvador democracy and couldn't stomach what was going on and what he saw and switched. He was there, and he spoke to the group that was assembled. And another one was there who had been in the Sandinista government, and he spoke. And he told about this disinformation program and the things of that kind. And the third, he was what they called a Creole there—they're blacks and Indians. And they were just simply attacked for being what they are when the Sandinistas came in. And he held up his hands. When they jailed him, they pulled all his fingernails out. And he told of the things that he had seen.

And then there was a display of the weapons that have been furnished by Nicaragua's Sandinista government to countries all over Latin America—not to the nations or governments, to the Communist guerrillas in each one of those countries that are there trying to overthrow those democracies. If you care—I know—if you care, we'll win. And if we don't care, we'll lose. It's that simple. It's up to us. So, please help us get this across to the Congress. We're not asking for American boys to go down there. There's been no appeal for them. They've told us to the contrary. They don't want them; they don't need them. They just need the tools that we can provide for them as once Churchill asked for tools for their people. And that's what we're asking the Congress to do, to enable us to give those tools to those freedom fighters. So, help us. And thank you, and God bless you.

Forgive me, I just had a question on the way out: Why don't we go to the people? Sunday night, I think it's 8 o'clock, I'm going to the people by way of television to try and tell them this story and get their help. Thank you.

*Note: The President spoke at 10:47 a.m. in Room 450 of the Old Executive Office Building.*

## Message to the Congress on Freedom, Regional Security, and Global Peace

*March 14, 1986*

*To the Congress of the United States:*

### I. AMERICA'S STAKE IN REGIONAL SECURITY

For more than two generations the United States has pursued a global foreign policy. Both the causes and consequences of World War II made clear to all Americans that our participation in world affairs, for the rest of the century and beyond, would have to go beyond just the protection of our national territory against direct invasion. We had learned the painful lessons of the 1930's, that there could be no safety in iso-

lation from the rest of the world. Our Nation has responsibilities and security interests beyond our borders—in the rest of this hemisphere, in Europe, in the Pacific, in the Middle East and in other regions—that require strong, confident, and consistent American leadership.

In the past several weeks, we have met these responsibilities—in difficult circumstances—in Haiti and in the Philippines. We have made important proposals for peace in Central America and southern Africa. There and elsewhere, we have acted in the belief that our peaceful and prosperous

future can best be assured in a world in which other peoples too can determine their own destiny, free of coercion or tyranny from either at home or abroad.

The prospects for such a future—to which America has contributed in innumerable ways—seem brighter than they have been in many years. Yet we cannot ignore the obstacles that stand in its path. We cannot meet our responsibilities and protect our interests without an active diplomacy backed by American economic and military power. We should not expect to solve problems that are insoluble, but we must not be half-hearted when there is a prospect of success. Wishful thinking and stop-and-go commitments will not protect America's interests.

Our foreign policy in the postwar era has sought to enhance our Nation's security by pursuit of four fundamental goals:

- We have sought to defend and advance the cause of democracy, freedom, and human rights throughout the world.
- We have sought to promote prosperity and social progress through a free, open, and expanding market-oriented global economy.
- We have worked diplomatically to help resolve dangerous regional conflicts.
- We have worked to reduce and eventually eliminate the danger of nuclear war.

Sustained by a strong bipartisan consensus, these basic principles have weathered contentious domestic debates through eight administrations, both Democratic and Republican. They have survived the great and rapid changes of an ever-evolving world.

There are good reasons for this continuity. These broad goals are linked together, and they in turn match both our ideals and our interests. No other policy could command the broad support of the American people.

A foreign policy that ignored the fate of millions around the world who seek freedom would be a betrayal of our national heritage. Our own freedom, and that of our allies, could never be secure in a world where freedom was threatened everywhere else. Our stake in the global economy gives us a stake in the well-being of others.

A foreign policy that overlooked the dangers posed by international conflicts, that did not work to bring them to a peaceful resolution, would be irresponsible—especially in an age of nuclear weapons. These conflicts, and the tensions that they generate, are in fact a major spur to the continued build-up of nuclear arsenals. For this reason, my Administration has made plain that continuing Soviet adventurism in the developing world is inimical to global security and an obstacle to fundamental improvement of Soviet-American relations.

Our stake in resolving regional conflicts can be simply stated: greater freedom for others means greater peace and security for ourselves. These goals threaten no one, but none of them can be achieved without a strong, active, and engaged America.

## II. REGIONAL SECURITY IN THE 80'S

Our efforts to promote freedom, prosperity, and security must take account of the diversity of regional conflicts and of the conditions in which they arise. Most of the world's turbulence has indigenous causes, and not every regional conflict should be viewed as part of the East-West conflict. And we should be alert to historic changes in the international environment, for these create both new problems and new opportunities. Three such realities must define American policies in the 80's.

*Soviet Exploitation of Regional Conflicts.* The first involves the nature of the threat we face. The fact is, in the 1970's the challenge to regional security became—to a greater degree than before—the challenge of Soviet expansionism. Around the world we saw a new thrust by our adversaries to spread Communist dictatorships and to put our own security (and that of friends and allies) at risk. The Soviet Union—and clients like Cuba, Vietnam, and Libya—supplied enormous quantities of money, arms, and training in efforts to destabilize and overthrow vulnerable governments on nearly every continent. By the 1970's the long-proclaimed Soviet doctrine of "wars of national liberation" was for the first time backed by a global capability to project military power. The Soviets appeared to

conclude that the global "correlation of forces" was shifting inexorably in their favor.

The world now knows the results, above all the staggering human toll. Murderous policies in Vietnam and Cambodia produced victims on a scale unknown since the genocides of Hitler and Stalin. In Afghanistan, the Soviet invasion led to the terrified flight of millions from their homes. In Ethiopia, we have witnessed death by famine and more recently by forced resettlement; and in South Yemen this year, factional killing that consumed thousands of lives in a span of a few days.

These have been only the most horrifying consequences. Other outgrowths of Soviet policies have been the colonial presence of tens of thousands of Cuban troops in Africa; the activities of terrorists trained in facilities in the Soviet bloc; and the effort to use Communist Nicaragua as a base from which to extinguish democracy in El Salvador and beyond.

These are not isolated events. They make up the disturbing pattern of Soviet conduct in the past fifteen years. The problems it creates are no less acute because the Soviet Union has had its share of disagreements with some of its clients, or because many of these involvements have proved very costly. That the Soviet leadership persists in such policies despite the growing burden they impose only testifies to the strength of Soviet commitment. Unless we build barriers to Soviet ambitions, and create incentives for Soviet restraint, Soviet policies will remain a source of danger—and the most important obstacle to the future spread of freedom.

In my meetings and other communications with Soviet General Secretary Gorbachev, and in my address before the UN General Assembly last October, I have made clear the importance the United States attaches to the resolution of regional conflicts that threaten world peace and the yearning of millions for freedom and independence—whether in Afghanistan or in southern Africa.

For the United States, these conflicts cannot be regarded as peripheral to other issues on the global agenda. They raise fundamental issues and are a fundamental part

of the overall U.S.-Soviet relationship. Their resolution would represent a crucial step toward the kind of world that all Americans seek and have been seeking for over forty years.

*Joining Others' Strength to Ours.* The second reality that shapes America's approach to regional security is the need to join our own strength to the efforts of others in working toward our common goals.

Throughout the postwar period, our country has played an enormous role in helping other nations, in many parts of the world, to protect their freedom. Through NATO we committed ourselves to the defense of Europe against Soviet attack. Through the Marshall Plan we helped Western Europe to rebuild its economy and strengthen democratic institutions. We sent American troops to Korea to repel a Communist invasion. America was an ardent champion of decolonization. We provided security assistance to help friends and allies around the world defend themselves. We extended our hand to those governments that sought to free themselves from dependence on the Soviet Union; success in such efforts—whether by Yugoslavia, Egypt, China or others—has contributed significantly to international security.

Despite our economic and military strength and our leading political role, the pursuit of American goals has always required cooperation with like-minded partners. The problems we face today, however, make cooperation with others even more important. This is in part a result of the limits on our resources, of the steady growth in the power of our adversaries, and of the American people's understandable reluctance to shoulder alone burdens that are properly shared with others. But most important, we want to cooperate with others because of the nature of our goals. Stable regional solutions depend over the long term on what those most directly affected can contribute. If interference by outsiders can be ended, regional security is best protected by the free and independent countries of each region.

*The Democratic Revolution.* If American

policy can succeed only in cooperation with others, then the third critical development of the past decade offers special hope: it is the democratic revolution, a trend that has significantly increased the ranks of those around the world who share America's commitment to national independence and popular rule.

The democracies that survived or emerged from the ruins of the Second World War—Western Europe, Japan, and a handful of others—have now been joined by many others across the globe. Here in the Western Hemisphere, the 1980's have been a decade of transition to democracy. Today, over 90 percent of the population of Latin America and the Caribbean live under governments that are democratic—in contrast to only one-third a decade ago. In less than six years, popularly-elected democrats have replaced dictators in Argentina, Bolivia, El Salvador, Guatemala, Honduras, Peru, Brazil, Uruguay, and Grenada.

In other parts of the world, we see friends and allies moving in the same direction. Earlier in this decade, the people of Turkey fought back a violent assault on democracy from both left and right. Similarly, since the fall of Vietnam, the non-Communist nations of Southeast Asia have rallied together; with prosperous economies, and effective, increasingly democratic national governments, they play an increasingly important role on the world stage.

These trends are far from accidental. Ours is a time of enormous social and technological change everywhere, and one country after another is discovering that only free peoples can make the most of this change. Countries that want progress without pluralism, without freedom, are finding that it cannot be done.

In this global revolution, there can be no doubt where America stands. The American people believe in human rights and oppose tyranny in whatever form, whether of the left or the right. We use our influence to encourage democratic change, in careful ways that respect other countries' traditions and political realities as well as the security threats that many of them face from external or internal forces of totalitarianism.

The people of the Philippines are now revitalizing their democratic traditions. The

people of Haiti have their first chance in three decades to direct their own affairs. Advocates of peaceful political change in South Africa are seeking an alternative to violence as well as to apartheid. All these efforts evoke the deepest American sympathy. American support will be ready, in these countries and elsewhere, to help democracy succeed.

But the democratic revolution does not stop here. There is another, newer phenomenon as well. In recent years, Soviet ambitions in the developing world have run head-on into a new form of resistance. Peoples on every continent are insisting on their right to national independence and their right to choose their government free of coercion. The Soviets overreached in the 1970's, at a time when America weakened itself by its internal divisions. In the 1980's the Soviets and their clients are finding it difficult to consolidate these gains—in part because of the revival of American and Western self-confidence, but mainly because of the courageous forces of indigenous resistance. Growing resistance movements now challenge Communist regimes installed or maintained by the military power of the Soviet Union and its colonial agents—in Afghanistan, Angola, Cambodia, Ethiopia, and Nicaragua.

We did not create this historical phenomenon, but we must not fail to respond to it.

In Afghanistan, Moscow's invasion to preserve the puppet government it installed has met stiff and growing resistance by Afghans who are fighting and dying for their country's independence. Democratic forces in Cambodia, once all but annihilated by the Khmer Rouge, are now waging a similar battle against occupation and a puppet regime imposed by Communist Vietnam.

In Angola, Jonas Savimbi and his UNITA forces have waged an armed struggle against the Soviet- and Cuban-backed Marxist regime, and in recent years UNITA has steadily expanded the territory under its control.

In Nicaragua, the democratic resistance forces fighting against another Soviet- and Cuban-backed regime have been holding their own—despite their lack of significant



outside help, and despite the massive influx of the most sophisticated Soviet weaponry and thousands of Soviet, Cuban, and Soviet-bloc advisers.

The failure of these Soviet client regimes to consolidate themselves only confirms the moral and political bankruptcy of the Leninist model. No one can be surprised by this. But it also reflects the dangerous and destabilizing international impact that even unpopular Leninist regimes can have. None of these struggles is a purely internal one. As I told the United Nations General Assembly last year, the assault of such regimes on their own people inevitably becomes a menace to their neighbors. Hence the threats to Pakistan and Thailand by the powerful occupying armies in Afghanistan and Cambodia. Hence the insecurity of El Salvador, Costa Rica, and Honduras in the face of the Nicaraguan military build-up.

Soviet-style dictatorships, in short, are an almost unique threat to peace, both before and after they consolidate their rule. *Before*, because the war they wage against their own people does not always stay within their own borders. And *after*, because the elimination of opposition at home frees their hand for subversion abroad. Cuba's foreign adventures of the past decade are a warning to the neighbors of Communist regimes everywhere.

The drive for national freedom and popular rule takes different forms in different countries, for each nation is the authentic product of a unique history and culture. In one case, a people's resistance may spring from deep religious belief; in another, from the bonds of ethnic or tribal solidarity; in yet another, from the grievances of colonial rule, or from the failure of an alien ideology to contribute to national progress. Our traditions and the traditions of those whom we help can hardly be identical. And their programs will not always match our own experience and preferences. This is to be expected. The real question is: can our policy—of active American support—increase the likelihood of democratic outcomes? I believe it can.

### III. THE TOOLS OF AMERICAN POLICY

These three realities of the 80's—the new

thrust of Soviet interventionism, the need for free nations to join together, the democratic revolution—are inseparable. Soviet power and policy cannot be checked without the active commitment of the United States. And we cannot achieve lasting results without giving support to—and receiving support from—those whose goals coincide with ours.

These realities call for new ways of thinking about how to cope with the challenge of Soviet power. Since Harry Truman's day, through administrations of both parties, American policy toward the Soviet Union has consistently set itself the goal of containing Soviet expansionism. Today that goal is more relevant and more important than ever. But how do we achieve it in today's new conditions?

First of all, we must face up to the arrogant Soviet pretension known as the Brezhnev Doctrine: the claim that Soviet gains are irreversible; that once a Soviet client begins to oppress its people and threaten its neighbors it must be allowed to oppress and threaten them forever. This claim has no moral or political validity whatsoever. Regimes that cannot live in peace with either their own people or their neighbors forfeit their legitimacy in world affairs.

Second, we must take full account of the striking trend that I have mentioned: the growing ranks of those who share our interests and values. In 1945 so much of the burden of defending freedom rested on our shoulders alone. In the 1970's some Americans were pessimistic about whether our values of democracy and freedom were relevant to the new developing nations. Now we know the answer. The growing appeal of democracy, the desire of *all* nations for true independence, are the hopeful basis for a new world of peace and security into the next century. A world of diversity, a world in which other nations choose their own course freely, is fully consistent with our values—because we know free peoples never choose tyranny.

To promote these goals, America has a range of foreign policy tools. Our involvement should always be prudent and realistic, but we should remember that our tools work best when joined together in a coher-

ent strategy consistently applied. Diplomacy unsupported by power is mere talk. Power that is not guided by our political purposes can create nothing of permanent value.

The two tools of U.S. policy without which few American interests will be secure are our own military strength and the vitality of our economy. The defense forces of the United States are crucial to maintaining the stable environment in which diplomacy can be effective, in which our friends and allies can be confident of our protection, and in which our adversaries can be deterred. And our economic dynamism not only provides the resources essential to sustain our policies, but conveys a deeper message that is being better understood all the time, even by our adversaries: free, pluralist societies *work*.

The failure to maintain our military capabilities and our economic strength in the 1970's was as important as any other single factor in encouraging Soviet expansionism. By reviving both of them in the 1980's we deny our adversaries opportunities and deter aggression. We make it easier for other countries to launch sustained economic growth, to build popular institutions, and to contribute on their own to the cause of peace.

*Security Assistance and Arms Transfers.* When Soviet policy succeeds in establishing a regional foothold—whether through invasion as in Afghanistan or Cambodia, or sponsorship of local Leninists as in Nicaragua—our first priority must be to bolster the security of friends most directly threatened. This has been the reason for increasing our security assistance for Pakistan, Thailand, and the friendly democratic states of Central America. U.S. aid to Pakistan has been indispensable in demonstrating that we will not permit the Soviet Union to gain hegemony over all within reach of its growing power. By raising and sustaining aid to El Salvador after the Communist guerrillas' failed "final offensive" of 1981, we showed that controversy here at home could not stop us from backing a friendly and democratic government under threat.

Similarly, by providing needed equipment to friends in the Middle East—wheth-

er to democratic Israel, or to longstanding friends in the Arab world who face clear and present radical threats—we contribute to stability and peace in a vital region of the world.

By supporting the efforts of others to strengthen their own defense, we frequently do as much for our own security as through our own defense budget. Security assistance to others is a security bargain for us. We must, however, remember that states hostile to us seek the same sort of bargains at our expense. For this reason, we must be sure that the resources we commit are adequate to the job. In the first half of this decade, Libyan and Iranian aid to Communist Nicaragua, for example, totaled more than three times as much as U.S. aid to the democratic opposition. Soviet assistance to Vietnam, at nearly \$2 billion annually, far outstrips U.S. support for any country save those that signed the Camp David peace accords. Soviet support for Cuba is larger still.

*Economic Assistance.* In speaking of Central America in 1982, I said that "economic disaster [had] provided a fresh opening to the enemies of freedom, national independence, and peaceful development." We cannot indulge the hope that economic responses alone are enough to prevent this political exploitation, but an effective American policy must address both the short-term and long-term dimensions of economic distress. In the short term our goal is stabilization; in the long term, sustained growth and progress by encouraging market-oriented reform.

In Central America, for example, the dollar value of our economic aid has consistently been three, four, or five times as much as our security assistance. In 1985 the former total \$975 million, the latter, only \$227 million.

Over the long term, America's most effective contribution to self-sustaining growth is not through direct aid but through helping these economies to earn their own way. The vigorous expansion of our own economy has already spurred growth throughout the Western Hemisphere, as well as elsewhere. But this healthy expansion of the global economy—

which benefits us as well as others—depends crucially on maintaining a fair and open trading system. Protectionism is both dangerous and expensive. Its costs include not only the waste of resources and higher prices in our own economy, but also the blow to poorer nations around the world that are struggling for democracy but vulnerable to anti-democratic subversion.

*Diplomatic Initiatives.* Some have argued that the regional wars in which the Soviet Union is embroiled provide an opportunity to “bleed” the Soviets. This is not our policy. We consider these wars dangerous to U.S.-Soviet relations and tragic for the suffering peoples directly involved.

For those reasons, military solutions are not the goal of American policy. International peace and security require both sides in these struggles to be prepared to lay down their arms and negotiate political solutions. The forms of such negotiations may vary, but in all of these conflicts political efforts (and the improvement of internal political conditions) are essential to ending the violence, promoting freedom and national self-determination, and bringing real hope for regional security.

With these goals in mind, in my address to the UN General Assembly last fall, I put forward a plan for beginning to resolve a series of regional conflicts in which Leninist regimes have made war against their own peoples. My initiative was meant to complement diplomatic efforts already underway. To all of these efforts the United States has given the strongest possible support. We have done so despite the fact that the Soviet Union and its clients have usually resisted negotiations, or have approached the table primarily for tactical purposes. We intend, in fact, to redouble our effort through a series of bilateral discussions with the Soviets.

In Afghanistan, we strongly support the diplomatic efforts conducted under UN auspices. We see no clear sign that the Soviet Union has faced up to the necessity of withdrawing its troops, which remains the central issue of the negotiations. But we will persist.

In southern Africa, the recent announcement by the South African government of a

date for the creation of an independent Namibia provides a new test of its own and of the Angolan regime's interest in a settlement that truly begins to reduce the threats to security in this region.

In Central America, President Duarte of El Salvador has offered a bold initiative that would produce three sets of simultaneous peace talks—his own with Salvador's Communist guerrillas; U.S.-Nicaragua bilateral discussions; and an internal dialogue between the Communist regime in Nicaragua and the democratic opposition—if the Sandinistas will agree to the latter. My new envoy for Central America, Ambassador Philip Habib, will pursue the Duarte initiative as his first responsibility.

In Cambodia, we support ASEAN—the Association of Southeast Asian Nations—in its intensive diplomatic efforts to promote Cambodian self-determination and an end to Vietnam's brutal occupation.

*Support for Freedom Fighters.* In all these regions, the Soviet Union and its clients would of course prefer victory to compromise. That is why in Afghanistan, in Southeast Asia, in southern Africa, and in Central America, diplomatic hopes depend on whether the Soviets see that victory is excluded. In each case, resistance forces fighting against Communist tyranny deserve our support.

The form and extent of support we provide must be carefully weighed in each case. Because a popularly supported insurgency enjoys some natural military advantages, our help need not always be massive to make a difference. But it must be more than simply symbolic: our help should give freedom fighters the chance to rally the people to their side. As John Kennedy observed of another nation striving to protect its freedom, it is ultimately their struggle; winning inevitably depends more on them than on any outsiders. America cannot fight everyone's battle for freedom. But we must not deny others the chance to fight their battle themselves.

In some instances, American interests will be served best if we can keep the details of our help—in particular, how it is provided—out of view. The Soviets will bring enormous pressure to bear to stop outside

help to resistance forces; while we can well withstand the pressure, small friends and allies may be much more vulnerable. That is why publicity for such details sometimes only exposes those whom we are trying to help, or those who are helping us, to greater danger. When this is the case, a President must be able to work with the Congress to extend needed support without publicity. Those who make it hard to extend support in this way when necessary are taking from our hands an important tool to protect American interests. Other governments that find they cannot work with us on a confidential basis will often be forced not to work with us at all. To hobble ourselves in this way makes it harder to shape events while problems are still manageable. It means we are certain to face starker choices down the road.

Nowhere is this clearer than in Central America. The Nicaraguan Communists have actively sought to subvert their neighbors since the very moment they took power. There can be no regional peace in Central America—or wherever Soviet client regimes have taken power—so long as such aggressive policies face no resistance. Support for resistance forces shows those who threaten the peace that they have no military option, and that negotiations represent the only realistic course.

Communist rulers do not voluntarily or in a single step relinquish control and open their nations to popular rule. But there is no historical basis for thinking that Leninist regimes are the only ones that can indefinitely ignore armed insurgencies and the disintegration of their own political base. The conditions that a growing insurgency can create—high military desertion rates, general strikes, economic shortages, infrastructural breakdowns, to name just a few—can in turn create policy fissures even within a leadership that has had no change of heart.

This is the opportunity that the freedom fighters of the 80's hope to seize, but it will not exist forever, either in Central America or elsewhere. When the mechanisms of repression are fully in place and consolidated, the task of countering such a regime's policies—both internal and external—becomes incomparably harder. That is why the Nica-

raguan regime is so bent on extinguishing the vestiges of pluralism in Nicaraguan society. It is why our own decisions can no longer be deferred.

#### IV. REGIONAL SECURITY AND U.S.-SOVIET RELATIONS

My Administration has insisted that the issue of regional security must have a prominent place on the agenda of U.S.-Soviet relations.

We have heard it said, however, that while talking about these issues is a good idea, the United States should not be involved in other ways. Some people see risks of confrontation with the Soviet Union; others, no chance that the Soviets would ever reduce their commitment to their clients.

I challenge both of these views.

A policy whose only goal was to pour fuel on existing fires would obviously be irresponsible but America's approach is completely different. Our policy is designed to keep regional conflicts from spreading, and thereby to reduce the risk of superpower confrontations. Our aim is not to increase the dangers to which regional states friendly to us are exposed, but to reduce them. We do so by making clear to the Soviet Union and its clients that we will stand behind our friends. Talk alone will not accomplish this. That is why our security assistance package for Pakistan—and for Thailand and Zaire—is so important, and why we have increased our help to democratic states of Central America. We have made clear that there would be no gain from widening these conflicts. We have done so without embroiling American forces in struggles that others are ready to fight on their own.

Our goal, in short—indeed our necessity—is to convince the Soviet Union that the policies on which it embarked in the 70's *cannot work*. We cannot be completely sure how the Soviet leadership calculates the benefits of relationships with clients. No one should underestimate the tenacity of such a powerful and resilient opponent.

Yet there are reasons to think that the present time is especially propitious for raising doubts on the Soviet side about the

wisdom of its client ties. The same facts about the democratic revolution that we can see are visible in Moscow. The harmful impact that Moscow's conduct in the developing world had on Western readings of its intentions in the last decade is also well known. There is no time in which Soviet policy reviews and reassessments are more likely than in a succession period, especially when many problems have been accumulating for some time. General Secretary Gorbachev himself made this point last year when he asked American interviewers whether it wasn't clear that the Soviet Union required international calm to deal with its internal problems.

Our answer to this question can be very simple. We desire calm too, and—even more to the point—so do the nations now embroiled in conflict with regimes enjoying massive Soviet support. Let the Soviet Union begin to contribute to the peaceful resolution of these conflicts.

#### V. CONCLUSION

I have often said that the tide of the future is a freedom tide. If so, it is also a peace tide, for the surest guarantee we have of peace is national freedom and democratic government.

In the long struggle to reach these goals, we are at a crossroads. A great deal hangs on America's staying power and steadfast commitment.

If America stays committed, we are more likely to have diplomatic solutions than military ones.

If America stays committed, we are more likely to have democratic outcomes than to-

talitarian ones.

If America stays committed, we will find that those who share our goals can do their part, and ease burdens that we might otherwise bear alone.

If America stays committed, we can solve problems while they are still manageable and avoid harder choices later.

And if America stays committed, we are more likely to convince the Soviet Union that its competition with us must be peaceful.

The American people remain committed to a world of peace and freedom. They want an effective foreign policy, which shapes events in accordance with our ideals and does not just react, passively and timidly, to the actions of others. Backing away from this challenge will not bring peace. It will only mean that others who are hostile to everything we believe in will have a freer hand to work their will in the world.

Important choices now rest with the Congress: whether to undercut the President at a moment when regional negotiations are underway and U.S.-Soviet diplomacy is entering a new phase; to betray those struggling against tyranny in different regions of the world, including our own neighborhood; or to join in a bipartisan national endeavor to strengthen both freedom and peace.

I have no doubt which course the American people want.

/S/RONALD REAGAN

The White House,  
March 14, 1986.

*Note: The original was not available for verification of the content of this message.*

## Statement Announcing a United States Proposal on Nuclear Testing Limitations

*March 14, 1986*

I want to make an announcement today concerning the question of limitations on nuclear testing, an important arms control area which has been the subject of special correspondence which I have had recently

with Soviet General Secretary Gorbachev, the leaders of six nations known as the New Delhi Group, and Senate Majority Leader Dole. I have conveyed to General Secretary Gorbachev today a new, very specific, and

far-reaching proposal concerning nuclear testing limitations, a proposal which could be implemented immediately. In this new initiative, I urged the Soviet Union to join us without delay in bilateral discussions on finding ways to reach agreement on essential verification improvements of the Threshold Test Ban Treaty (TTBT) and Peaceful Nuclear Explosions Treaty (PNET).

In the field of nuclear testing, as in arms control generally, effective verification is a central element. It has also long been one of the most difficult problems to resolve. We are seriously concerned about the past pattern of Soviet testing, as well as current verification uncertainties, and have determined that a number of Soviet tests constitute likely violations of obligations under the Threshold Test Ban Treaty of 1974. The inadequacy of the monitoring regime provided for in that agreement is underscored by the Soviet Union's own questions concerning the yields of particular U.S. tests, all of which in fact have been below the 150 kiloton threshold. The United States places the highest priority in the nuclear testing area on finding ways of ensuring effective verification of the TTBT and PNET. I have already made several specific suggestions to the Soviet Union in this regard. My new initiative is a further attempt to build the necessary basis for confidence and cooperation between our nations regarding such limitations.

As a reflection of our resolve to make tangible progress, in my new proposal I identified to Mr. Gorbachev a specific new technical method—known as CORRTEx—which we believe will enable both the U.S.

and U.S.S.R. to improve verification and ensure compliance with these two treaties. This is a hydrodynamic yield measurement technique that measures the propagation of the underground shock wave from a nuclear explosion. I provided to Mr. Gorbachev a technical description of CORRTEx designed to demonstrate how this method will enhance verification procedures. To allow the Soviet Union to examine the CORRTEx system more fully, I further proposed that Mr. Gorbachev send his scientists to our Nevada test site during the third week of April 1986. At that time they could also monitor a planned U.S. nuclear weapons test. I would hope this would provide an opportunity for our experts to discuss verification methods and thus pave the way for resolving the serious concerns which have arisen in this area. In making this offer, I made clear to General Secretary Gorbachev that if we could reach agreement on the use of an effective verification system incorporating such a method to verify the TTBT, I would be prepared to move forward on ratification of both the TTBT and PNET.

What is unique about this new initiative is its specificity and concreteness and the detailed, new technical information we have provided to the Soviet Union in trying to solve these verification uncertainties. It is important that the Soviet Union engage with us now in this first practical step to improve the confidence we each must have in treaty compliance with the 150 kiloton threshold on underground tests. If this can be achieved, we believe we will have significantly improved the prospects for verifying other arms control agreements as well through improved verification regimes.

## Proclamation 5447—Freedom of Information Day, 1986

March 14, 1986

*By the President of the United States  
of America*

### *A Proclamation*

A fundamental principle of our Government is that a well-informed citizenry can take part in the important decisions that set

the present and future course of the Nation. Our Founding Fathers provided in the Constitution and in the Bill of Rights freedoms for all Americans, many of which are promoted by open access to information. Numerous Acts of Congress, including the Freedom of Information Act, are intended

to further this principle. Most Americans, having never known any other way of life, take for granted open access to information about their Federal, State, and local governments. They also understand that some secrecy is necessary to protect both national security and the right to privacy.

March 16 is the anniversary of the birth of James Madison, our fourth President and one of the principal figures in the Constitutional Convention. Madison eloquently expressed the guarantees in the Bill of Rights, in particular in the freedoms of religion, speech, and of the press protected by the First Amendment. He understood the value of information in a democratic society, as well as the importance of its free and open dissemination. He believed that through the interaction of the Government and its citizens, facilitated by a free press and open access to information, the Government could be most responsive to the people it serves. Surely the American experience has proved him right.

This year marks the twentieth anniversary of the enactment by the Federal government of the Freedom of Information Act. On President Madison's birthday, it is particularly fitting that we recognize the value

of reasonable access to information in our political process.

The Congress, by House Joint Resolution 371, has designated March 16, 1986, as "Freedom of Information Day" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim March 16, 1986, as Freedom of Information Day, and I call upon the people of the United States and all Federal, State, and local government officials to observe this week with appropriate programs and activities.

*In Witness Whereof*, I have hereunto set my hand this fourteenth day of March, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:59 a.m., March 17, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on March 15.*

## Radio Address to the Nation on the Situation in Nicaragua *March 15, 1986*

*My fellow Americans:*

I'd like to speak to you this afternoon about a grave threat to our country and continent: the Communist regime in Nicaragua, a nation closer to our own southern border than Washington is to Kansas City. When the pro-Soviet regime took power in Nicaragua in 1979, it claimed to embrace the highest ideals of individual liberty and promised to hold free elections. What happened? Well, not democracy, but internal repression, imprisonment, and torture, the buildup of an army and militia of more than 120,000, and subversion throughout Central America.

Today Communist Nicaragua endangers our national security, it threatens our Carib-

bean sealanes, and still worse, it is intent on bringing the nations of Central America under Communist domination one by one—a grim achievement that would send millions of refugees flooding into our Southern States. Yet grave as it is, this threat can be averted. The Congress now has before it legislation that would send help to the Nicaraguan freedom fighters, the more than 20,000 brave men and women struggling against the Communists who now control their country. This aid could enable the freedom fighters to reclaim Nicaragua for liberty and the West.

Tomorrow evening I'll discuss in full our proposal to aid the freedom fighters in a televised address from the Oval Office. For

now, however, permit me to consider a single but central question: Why, many have asked, must we send the freedom fighters weapons? Why not try to achieve our objectives by negotiating with the Nicaraguan Communists instead? Well, the answer is simple: We've tried again and again. Since 1983 I have appointed three Special Envoys to Central America. These envoys have made 48 trips to the region, eager to engage in a serious dialog. Since June 1984 we have held not 1 but 10 high-level meetings with representatives of the Nicaraguan Communists. Each time we left emptyhanded. Just yesterday my Special Envoy, Philip Habib, returned from a 49th trip to Central America.

Other free nations, too, have attempted to engage the Sandinistas in good-faith negotiations. We have yet to see any concrete results. Nicaragua has indeed participated in the Contadora talks—talks sponsored by Mexico, Panama, Colombia, and Venezuela—only to balk any time agreements seem near. Last November, President Ortega said of a document his own representatives had helped to shape, and I quote, "The peace document that the Contadora group submitted in September 1985 is unacceptable to Nicaragua." Well, recently the democratically elected President of El Salvador, José Napoleón Duarte, made a new and dramatic offer. If the Communists in Nicaragua agree to church-negotiated talks with their democratic opponents, President Duarte said then he would simultaneously agree to negotiate with the Soviet- and Nicaraguan-backed guerrillas in his country. Both the Nicaraguan Communists and the Salvadoran guerrillas whom they support rejected this offer.

Failed attempts by El Salvador and the

Contadora group, rebuffed attempts on our part. By now the truth about negotiating with the Nicaragua Communists must be abundantly clear. Yes, the Communists might meet their opponents at the table, but only when they fear meeting them in the field. In the meantime, as recent revelations make clear, the Communists are only tightening their grip on Nicaragua. Somoza, the dictator the Sandinistas overthrew, had 1 prison; the Sandinistas have at least 10 new gulags. And new intelligence shows that Tomás Borge, the Communist Interior Minister, is engaging in a brutal campaign to bring the freedom fighters into discredit. You see, Borge's Communist operatives dress in freedom fighters' uniforms, go into the countryside, then murder and mutilate ordinary Nicaraguans.

This, then, is why I'm asking the Congress to provide the Nicaraguan freedom fighters not only with much needed humanitarian aid but with military supplies. They must be given the means to fight back. The freedom fighters seek not to destroy their Communist opponents but to liberate their country. Democracy—this is all the freedom fighters ask. And all we're asking for is a democratic outcome, because a democratic Central America is vital to the security of our continent and nation. Now that negotiations with the Nicaraguan Communists have failed again and again, the time has come for Congress to give the freedom fighters what they need for their struggle for democracy to succeed.

Until tomorrow evening from the Oval Office, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## **Address to the Nation on the Situation in Nicaragua March 16, 1986**

*My fellow Americans:*

I must speak to you tonight about a mounting danger in Central America that threatens the security of the United States.

This danger will not go away; it will grow worse, much worse, if we fail to take action now. I'm speaking of Nicaragua, a Soviet ally on the American mainland only 2



hours' flying time from our own borders. With over a billion dollars in Soviet-bloc aid, the Communist government of Nicaragua has launched a campaign to subvert and topple its democratic neighbors. Using Nicaragua as a base, the Soviets and Cubans can become the dominant power in the crucial corridor between North and South America. Established there, they will be in a position to threaten the Panama Canal, interdict our vital Caribbean searoutes, and, ultimately, move against Mexico. Should that happen, desperate Latin peoples by the millions would begin fleeing north into the cities of the southern United States or to wherever some hope of freedom remained.

The United States Congress has before it a proposal to help stop this threat. The legislation is an aid package of \$100 million for the more than 20,000 freedom fighters struggling to bring democracy to their country and eliminate this Communist menace at its source. But this \$100 million is not an additional 100 million. We're not asking for a single dime in new money. We are asking only to be permitted to switch a small part of our present defense budget to the defense of our own southern frontier.

Gathered in Nicaragua already are thousands of Cuban military advisers, contingents of Soviets and East Germans, and all the elements of international terror—from the PLO to Italy's Red Brigades. Why are they there? Because as Colonel Qadhafi has publicly exulted: "Nicaragua means a great thing: it means fighting America near its borders, fighting America at its doorstep."

For our own security, the United States must deny the Soviet Union a beachhead in North America. But let me make one thing plain: I'm not talking about American troops. They are not needed; they have not been requested. The democratic resistance fighting in Nicaragua is only asking America for the supplies and support to save their own country from communism. The question the Congress of the United States will now answer is a simple one: Will we give the Nicaraguan democratic resistance the means to recapture their betrayed revolution, or will we turn our backs and ignore the malignancy in Managua until it spreads and becomes a mortal threat to the entire

New World? Will we permit the Soviet Union to put a second Cuba, a second Libya, right on the doorstep of the United States?

How can such a small country pose such a great threat? Well, it is not Nicaragua alone that threatens us, but those using Nicaragua as a privileged sanctuary for their struggle against the United States. Their first target is Nicaragua's neighbors. With an army and militia of 120,000 men, backed by more than 3,000 Cuban military advisers, Nicaragua's Armed Forces are the largest Central America has ever seen. The Nicaraguan military machine is more powerful than all its neighbors combined.

This map—[*indicating*—]represents much of the Western Hemisphere. Now, let me show you the countries in Central America where weapons supplied by Nicaraguan Communists have been found: Honduras, Costa Rica, El Salvador, Guatemala. Radicals from Panama to the south have been trained in Nicaragua, but the Sandinista revolutionary reach extends well beyond their immediate neighbors. In South America and the Caribbean, the Nicaraguan Communists have provided support in the form of military training, safe haven, communications, false documents, safe transit, and, sometimes, weapons to radicals from the following countries: Colombia, Ecuador, Brazil, Chile, Argentina, Uruguay, and the Dominican Republic. Even that is not all, for there was an old Communist slogan that the Sandinistas have made clear they honor: The road to victory goes through Mexico.

If maps, statistics, and facts aren't persuasive enough, we have the words of the Sandinistas and Soviets themselves. One of the highest level Sandinista leaders was asked by an American magazine whether their Communist revolution will, and I quote, "be exported to El Salvador, then Guatemala, then Honduras, and then Mexico." He responded, "That is one historical prophecy of Ronald Reagan that is absolutely true."

Well, the Soviets have been no less candid. A few years ago, then-Soviet Foreign Minister Gromyko noted that Central America was, quote, "boiling like a cauldron" and ripe for revolution. In a Moscow meeting in 1983, Soviet Chief of Staff Mar-

shal Ogarkov declared: "Over two decades, there are Nicaragua"—I should say, "there was only Cuba in Latin America. Today there are Nicaragua, Grenada, and a serious battle is going on in El Salvador." But we don't need their quotes; the American forces who liberated Grenada captured thousands of documents that demonstrated Soviet intent to bring Communist revolution home to the Western Hemisphere.

So, we're clear on the intentions of the Sandinistas and those who back them. Let us be equally clear about the nature of their regime. To begin with, the Sandinistas have revoked the civil liberties of the Nicaraguan people, depriving them of any legal right to speak, to publish, to assemble, or to worship freely. Independent newspapers have been shut down. There is no longer any independent labor movement in Nicaragua nor any right to strike. As AFL-CIO leader Lane Kirkland has said, "Nicaragua's headlong rush into the totalitarian camp cannot be denied by anyone who has eyes to see."

Well, like Communist governments everywhere, the Sandinistas have launched assaults against ethnic and religious groups. The capital's only synagogue was desecrated and firebombed—the entire Jewish community forced to flee Nicaragua. Protestant Bible meetings have been broken up by raids, by mob violence, by machineguns. The Catholic Church has been singled out; priests have been expelled from the country, Catholics beaten in the streets after attending mass. The Catholic primate of Nicaragua, Cardinal Obando y Bravo, has put the matter forthrightly. "We want to state clearly," he says, "that this government is totalitarian. We are dealing with an enemy of the Church."

Evangelical pastor Prudencio Baltodano found out he was on a Sandinista hit list when an army patrol asked his name. "You don't know what we do to the evangelical pastors. We don't believe in God," they told him. Pastor Baltodano was tied to a tree, struck in the forehead with a rifle butt, stabbed in the neck with a bayonet; finally, his ears were cut off, and he was left for dead. "See if your God will save you," they mocked. Well, God did have other plans for Pastor Baltodano. He lived to tell the world his story—to tell it, among other places,

right here in the White House.

I could go on about this nightmare—the black lists, the secret prisons, the Sandinista-directed mob violence. But as if all this brutality at home were not enough, the Sandinistas are transforming their nation into a safe house, a command post for international terror. The Sandinistas not only sponsor terror in El Salvador, Costa Rica, Guatemala, and Honduras—terror that led last summer to the murder of four U.S. marines in a cafe in San Salvador—they provide a sanctuary for terror. Italy has charged Nicaragua with harboring their worst terrorists, the Red Brigades.

The Sandinistas have even involved themselves in the international drug trade. I know every American parent concerned about the drug problem will be outraged to learn that top Nicaraguan Government officials are deeply involved in drug trafficking. This picture—[*indicating*]—secretly taken at a military airfield outside Managua, shows Federico Vaughn, a top aide to one of the nine commandantes who rule Nicaragua, loading an aircraft with illegal narcotics, bound for the United States. No, there seems to be no crime to which the Sandinistas will not stoop; this is an outlaw regime.

If we return for a moment to our map, it becomes clear why having this regime in Central America imperils our vital security interests. Through this crucial part of the Western Hemisphere passes almost half our foreign trade, more than half our imports of crude oil, and a significant portion of the military supplies we would have to send to the NATO alliance in the event of a crisis. These are the chokepoints where the searoutes could be closed. Central America is strategic to our Western alliance, a fact always understood by foreign enemies. In World War II only a few German U-boats, operating from bases 4,000 miles away in Germany and occupied Europe, inflicted crippling losses on U.S. shipping right off our southern coast. Today Warsaw Pact engineers are building a deep water port on Nicaragua's Caribbean coast, similar to the naval base in Cuba for Soviet-built submarines. They are also constructing, outside Managua, the largest military airfield in Central America—similar to those in Cuba,

from which Russian Bear Bombers patrol the U.S. east coast from Maine to Florida.

How did this menace to the peace and security of our Latin neighbors, and ultimately ourselves, suddenly emerge? Let me give you a brief history. In 1979 the people of Nicaragua rose up and overthrew a corrupt dictatorship. At first the revolutionary leaders promised free elections and respect for human rights. But among them was an organization called the Sandinistas. Theirs was a Communist organization, and their support of the revolutionary goals was sheer deceit. Quickly and ruthlessly, they took complete control.

Two months after the revolution, the Sandinista leadership met in secret and, in what came to be known as the "72-hour Document," described themselves as the vanguard of a revolution that would sweep Central America, Latin America, and finally, the world. Their true enemy, they declared: the United States. Rather than make this document public, they followed the advice of Fidel Castro, who told them to put on a facade of democracy. While Castro viewed the democratic elements in Nicaragua with contempt, he urged his Nicaraguan friends to keep some of them in their coalition, in minor posts, as window dressing to deceive the West. "And that way," Castro said, "you can have your revolution and the Americans will pay for it." And we did pay for it. More aid flowed to Nicaragua from the United States in the first 18 months under the Sandinistas than from any other country. Only when the mask fell, and the face of totalitarianism became visible to the world, did the aid stop.

Confronted with this emerging threat, early in our administration I went to Congress and with bipartisan support managed to get help for the nations surrounding Nicaragua. Some of you may remember the inspiring scene when the people of El Salvador braved the threats and gunfire of Communist guerrillas, guerrillas directed and supplied from Nicaragua, and went to the polls to vote decisively for democracy. For the Communists in El Salvador, it was a humiliating defeat. But there was another factor the Communists never counted on, a factor that now promises to give freedom a second chance—the freedom fighters of

Nicaragua.

You see, when the Sandinistas betrayed the revolution, many who had fought the old Somoza dictatorship literally took to the hills and, like the French Resistance that fought the Nazis, began fighting the Soviet-bloc Communists and their Nicaraguan collaborators. These few have now been joined by thousands. With their blood and courage, the freedom fighters of Nicaragua have pinned down the Sandinista army and bought the people of Central America precious time. We Americans owe them a debt of gratitude. In helping to thwart the Sandinistas and their Soviet mentors, the resistance has contributed directly to the security of the United States.

Since its inception in 1982 the democratic resistance has grown dramatically in strength. Today it numbers more than 20,000 volunteers, and more come every day. But now the freedom fighters' supplies are running short, and they are virtually defenseless against the helicopter gunships Moscow has sent to Managua. Now comes the crucial test for the Congress of the United States. Will they provide the assistance the freedom fighters need to deal with Russian tanks and gunships, or will they abandon the democratic resistance to its Communist enemy?

In answering that question, I hope Congress will reflect deeply upon what it is the resistance is fighting against in Nicaragua. Ask yourselves: What in the world are Soviets, East Germans, Bulgarians, North Koreans, Cubans, and terrorists from the PLO and the Red Brigades doing in our hemisphere, camped on our own doorstep? Is that for peace? Why have the Soviets invested \$600 million to build Nicaragua into an armed force almost the size of Mexico's, a country 15 times as large and 25 times as populous. Is that for peace? Why did Nicaragua's dictator, Daniel Ortega, go to the Communist Party Congress in Havana and endorse Castro's call for the worldwide triumph of communism? Was that for peace?

Some Members of Congress ask me, why not negotiate? That's a good question, and let me answer it directly. We have sought, and still seek, a negotiated peace and a democratic future in a free Nicaragua. Ten

times we have met and tried to reason with the Sandinistas; 10 times we were rebuffed. Last year we endorsed church-mediated negotiations between the regime and the resistance. The Soviets and the Sandinistas responded with a rapid arms buildup of mortars, tanks, artillery, and helicopter gunships.

Clearly, the Soviet Union and the Warsaw Pact have grasped the great stakes involved, the strategic importance of Nicaragua. The Soviets have made their decision—to support the Communists. Fidel Castro has made his decision—to support the Communists. Arafat, Qadhafi, and the Ayatollah Khomeini have made their decision—to support the Communists. Now we must make our decision. With Congress' help, we can prevent an outcome deeply injurious to the national security of the United States. If we fail, there will be no evading responsibility—history will hold us accountable. This is not some narrow partisan issue; it is a national security issue, an issue on which we must act not as Republicans, not as Democrats, but as Americans.

Forty years ago Republicans and Democrats joined together behind the Truman doctrine. It must be our policy, Harry Truman declared, to support peoples struggling to preserve their freedom. Under that doctrine, Congress sent aid to Greece just in time to save that country from the closing grip of a Communist tyranny. We saved freedom in Greece then. And with that same bipartisan spirit, we can save freedom in Nicaragua today. Over the coming days I will continue the dialog with Members of Congress—talking to them, listening to them, hearing out their concerns. Senator Scoop Jackson, who led the fight on Capitol Hill for an awareness of the danger in Central America, said it best: "On matters of national security, the best politics is no politics."

You know, recently one of our most distinguished Americans, Clare Boothe Luce, had this to say about the coming vote: "In considering this crisis," Mrs. Luce said, "my mind goes back to a similar moment in our history—back to the first years after Cuba had fallen to Fidel. One day during those years, I had lunch at the White House with a man I had known since he was a boy,

John F. Kennedy. 'Mr. President,' I said, 'no matter how exalted or great a man may be, history will have time to give him no more than one sentence. George Washington, he founded our country. Abraham Lincoln, he freed the slaves and preserved the Union. Winston Churchill, he saved Europe.' 'And what, Clare,' John Kennedy said, 'do you believe my sentence will be?' 'Mr. President,' she answered, 'your sentence will be that you stopped the Communists—or that you did not.'"

Well, tragically, John Kennedy never had the chance to decide which that would be. Now leaders of our own time must do so. My fellow Americans, you know where I stand. The Soviets and the Sandinistas must not be permitted to crush freedom in Central America and threaten our own security on our own doorstep. Now the Congress must decide where it stands. Mrs. Luce ended by saying: "Only this is certain. Through all time to come, this, the 99th Congress of the United States, will be remembered as that body of men and women that either stopped the Communists before it was too late—or did not."

So, tonight I ask you to do what you've done so often in the past. Get in touch with your Representative and Senators and urge them to vote yes; tell them to help the freedom fighters. Help us prevent a Communist takeover of Central America.

I have only 3 years left to serve my country; 3 years to carry out the responsibilities you entrusted to me; 3 years to work for peace. Could there be any greater tragedy than for us to sit back and permit this cancer to spread, leaving my successor to face far more agonizing decisions in the years ahead? The freedom fighters seek a political solution. They are willing to lay down their arms and negotiate to restore the original goals of the revolution, a democracy in which the people of Nicaragua choose their own government. That is our goal also, but it can only come about if the democratic resistance is able to bring pressure to bear on those who have seized power.

We still have time to do what must be done so history will say of us: We had the vision, the courage, and good sense to come

together and act—Republicans and Democrats—when the price was not high and the risks were not great. We left America safe, we left America secure, we left America free—still a beacon of hope to mankind, still a light unto the nations.

Thank you, and God bless you.

*Note: The President spoke at 8 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.*

## **Proclamation 5448—Increase in the Rates of Duty on Certain Articles From Japan**

**March 16, 1986**

*By the President of the United States  
of America*

### ***A Proclamation***

1. On September 7, 1985, I announced my decision to take action in response to quantitative restrictions on imports of United States leather and footwear maintained by Japan, in the event that a satisfactory settlement of the matter was not achieved by December 1, 1985. I have determined pursuant to Section 301 of the Trade Act of 1974, as amended (the Act) (19 U.S.C. 2411), that these restrictions deny benefits to the United States arising under the General Agreement on Tariffs and Trade (GATT) (61 Stat. (pts. 5 and 6)), are unreasonable, and constitute a burden or restriction on United States commerce. Discussions with Japan concerning the elimination of these restrictions have resulted in an understanding as to the appropriate course of action to be taken by both the United States and Japan. Accordingly, pursuant to Section 301 of the Act, I have determined to accept compensation from Japan and also to increase duties on certain imports of leather and footwear from Japan.

2. Section 301(a) of the Act (19 U.S.C. 2411(a)) authorizes the President to take all appropriate and feasible action to obtain the elimination of an act, policy, or practice of a foreign government or instrumentality that 1) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement; or 2) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce. Section 301(b) of the Act (19

U.S.C. 2411(b)) also authorizes the President to suspend, withdraw, or prevent the application of benefits of trade agreement concessions with respect to, and to impose duties or other import restrictions on the products of, such foreign government or instrumentality. Pursuant to Section 301(a) of the Act, such actions can be taken on a discriminatory basis solely against the foreign government or instrumentality involved. Section 301(d)(1) of the Act (19 U.S.C. 2411(d)(1)) authorizes the President to take action on his own motion.

3. I have decided, pursuant to Sections 301 (a), (b), and (d)(1) of the Act, to increase United States import duties on the articles provided for in the Annex to this proclamation that are the product of Japan.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including but not limited to Section 301 (a), (b), and (d)(1) and Section 604 of the Trade Act of 1974 (19 U.S.C. 2483), do proclaim that:

1. Subpart B of part 2 of the Appendix to the TSUS is modified as provided in the Annex to this proclamation.

2. The United States Trade Representative (USTR) is hereby authorized to suspend, modify, or terminate the increase in United States import duties on any of the articles covered by the Annex to this proclamation, upon the publication in the *Federal Register* of his determination that such suspension, modification, or termination is justified by further actions taken by Japan with respect to this matter, or is appropri-

ate to carry out the understanding between the United States and Japan, or is otherwise appropriate, taking into account relevant domestic production and employment in the United States.

3. This proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date on which this proclamation is signed.

*In Witness Whereof*, I have hereunto set my hand this 16th day of March, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United

States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:42 a.m., March 18, 1986]

*Note: The annex to the proclamation and a memorandum for the United States Trade Representative were printed in the "Federal Register" of March 19. The proclamation was released by the Office of the Press Secretary on March 17.*

## Informal Exchange With Reporters Prior to a Meeting With Ambassador Philip C. Habib, Special Envoy for Central America March 17, 1986

*Q.* Mr. President, Daniel Ortega says that you've lost your senses about Nicaragua.

*The President.* Takes one to know one.

*Q.* Well, he says he wants to negotiate with you, not with the *contras*.

*Q.* He called you the top *contra* leader.

*The President.* I'm not going to respond to remarks from him.

*Q.* Mr. Habib apparently couldn't find any public support in Central America for your policy of backing the *contras*, sir.

*Ambassador Habib.* Not true. I think you ought to look at that poll that just came out if you want to talk about public support. That's public. Pardon me, Mr. President, the question was to you. I shouldn't have answered it.

*The President.* I'm delighted to turn it over—

*Ambassador Habib.* But that just isn't true. I mean, there's a recent poll that was run, a perfectly authentic one, which shows the majority of Central Americans, first of all, condemn the situation inside of Nicaragua, and secondly, the majority supports the aid to the *contras*. Now, I just don't understand where you guys get this public opinion down there.

*Q.* But what about the Central American leaders? Why aren't any of them backing the *contras*?

*Ambassador Habib.* I wouldn't say that's necessarily so. They have their reasons as to how they express their position. And I suggest that you look at a speech that Mr. Duarte, for example, made on Saturday, or ask the Congressmen who visited him the other day what they think, or look at a statement made by the President of Costa Rica, I believe yesterday, and see how he puts it. You've got to, you know, these fellows have code words the way we do.

*Q.* Okay. Are you saying they support—

*Ambassador Habib.* I'm saying that they support—

*Q.* All the leaders—

*Ambassador Habib.* I'm saying that they are concerned about the situation in Nicaragua, that they are stating their positions quite clearly, that they understand the significance of putting pressure on the Sandinistas in order to bring them to a different approach, a political approach. I would suggest you also look at the statement that Mr. Duarte made which has now been supported by all four of the democratically elected Presidents in Central America.

*Q.* But do they support—

*Ambassador Habib.* I'll stop there, Mr. President.

*Q.* But do they support—

*Ambassador Habib.* This is your show, not

mine.

*Q.* —military support for the *contras*?

*Ambassador Habib.* As I said, they have their own way of expressing their opinions. I would suggest you look at their words. Don't take my word for it.

*Q.* Well, what did you gather?

*The President.* I think you might be interested to know that Jeane Kirkpatrick has a column in the paper this morning in which she's citing the figures that I believe are of that polling organization that, in some country, the rate goes as high as over 90 percent of the people support what we're—

*Q.* Mr. President, are you going to send Ambassador Habib to Managua?

*Mr. Speakes.* Let's go.

*Q.* You going to send Ambassador Habib to Managua?

*Mr. Speakes.* Chris [Chris Wallace, NBC News], I said no more.

*Q.* Well, I—

*The President.* We haven't met yet. We haven't started the meeting yet.

*Mr. Speakes.* No more. You've had a full press conference, and I think that ought to do it.

*Note: The exchange began at 9:45 a.m. in the Oval Office at the White House. Afterwards, Ambassador Habib briefed the President on his meetings with the leaders of Guatemala, Costa Rica, Honduras, and El Salvador. Larry M. Speakes was Principal Deputy Press Secretary to the President.*

## Statement on the Observance of St. Patrick's Day, 1986

*March 17, 1986*

St. Patrick's Day is a time for joy and celebration, a day we recognize the many achievements, sung and unsung, of the Irish men and women who have made this a better and happier world. Today we remember especially the immigrants who came to these shores to make a new beginning. Some of them were so poor they left their homeland with little more than the clothes on their backs. But they brought with them something more valuable—their hopes and dreams, their love of liberty, and their unconquerable spirit.

St. Patrick's Day is also a time for reflecting on life today on the Emerald Isle, the ancestral home of over 40 million Americans. In the last two decades, the northern part of the island has been wracked by senseless violence. Political and religious differences, exacerbated by unfavorable economic conditions, have resulted in the wanton murder of hundreds of men, women, and children and the terrorizing of an entire population. But on this St. Patrick's Day we can all be grateful that a ray of hope has begun to shine. In a courageous move, the Prime Ministers of Ireland and the United Kingdom decided the time had

come to give new impetus to the search for peace in Northern Ireland. Out of their discussions emerged a new approach in which the British and Irish Governments jointly committed themselves to reconciliation between Northern Ireland's two communities.

This Anglo-Irish accord, signed by Prime Ministers Thatcher and FitzGerald on November 15th last year and quickly ratified by their parliaments, has received an enthusiastic bipartisan reception in the U.S. Congress. We are now working with Congress to find ways in which the United States can help. In determining the nature of any U.S. Government aid, we must bear in mind that the agenda and timetable for progress in that troubled area are not for us to set. Those directly concerned, the people of both Irish traditions, will chart the course which will, we pray, lead to reconciliation in that troubled land.

Concerned Americans can do two important things to help make reconciliation a reality. First, the key to progress in Northern Ireland and in the Republic is a strong, growing economy—and if Americans remember Ireland as we plan our travel and consider investments, we can make a con-

tribution to Irish economic growth. Second, Americans should not give either financial or moral support to Irish terrorists, any Irish terrorists. Such support is misguided. We cannot permit individuals, for their own evil ends, to snuff out hope by the use of violence. On this St. Patrick's Day let all Americans and people of good will every-

where honor the Irish by helping them build a peaceful and prosperous future.

The people of America and Ireland have long held each other in high esteem. We hold a special place in each other's hearts. And on this very special St. Patrick's Day we extend to all our greetings and good will.

## Remarks Following Discussions With Prime Minister Garret FitzGerald of Ireland

March 17, 1986

*The Prime Minister.* I am very happy to be here on this day, and I'm very grateful to the President for having received me here.

We are, indeed, in Ireland grateful to the President for the support that he has given to the preparation of the agreement between Ireland and Britain and the support that he has offered in the aid program now before Congress. This agreement is one which brings together two countries which together have made, I think, a great contribution and perhaps, together, the major contribution to the United States, if I may say that without offense to any Italians or Germans present. It's an agreement which we hope will bring peace and stability to Northern Ireland. Our gratitude goes out to the President, to the Congress, and the people of the United States for the support they have given to us in what we're trying to do with the British Government in this respect.

I'd like to take this opportunity, offering to the President this gift on behalf of the people of Ireland. It is the centenary year of the Statue of Liberty. I think you've been having some repairs done to her at present, and this replica, carried out by a craftsman in Waterford, is something which we want to give from the people of Ireland to the people of the United States, because there were millions of Irish people who passed that statue and to whom it meant freedom—and to whom it gave freedom to them and their descendants. And it seemed to us an appropriate gift to make to you. I also want to offer you a gift of a bowl of

shamrock, which is genuine shamrock and which I think should be enough for you, your Cabinet, or your family—anybody else around. [Laughter] So, I hope you will accept that on behalf of the Irish people; also, a renewed thanks, Mr. President.

*The President.* Thank you very much. Thank you.

*The Prime Minister.* Yes, he can keep the bowl, too. [Laughter]

*The President.* Well, Mr. Prime Minister, this is magnificent, and of course that is most appropriate and most welcome. And I'm delighted to be joined here by the Prime Minister of Ireland on St. Patrick's Day. When you mentioned those who came past that statue, my great-grandfather was one of them.

We've just had a most useful discussion—brief but important. And it's a distinct honor to receive the traditional shamrock and to wear it as an expression of shared hope for peace and good will in the year ahead. Our friendship for Ireland and the Irish people is deep and enduring. As I've said, I'm also honored to receive this Waterford crystal replica of the Statue of Liberty. Nothing stirs the heart like liberty, which is very much on our minds these days.

So, Mr. Prime Minister, I thank you very much for coming and look forward to seeing you later in the day. And, again, my heartfelt thanks for these gifts. Thank you.

*Note: The Prime Minister spoke at 10:22 a.m. in the Rose Garden at the White House. Earlier, the President and the Prime Minister met in the Oval Office.*



## Message to the Congress Reporting on the National Emergency With Respect to South Africa *March 17, 1986*

### *To the Congress of the United States:*

On September 9, 1985, in Executive Order 12532 (50 Fed. Reg. 36861, Sept. 10, 1985), I declared a national emergency to deal with the threat posed by the policies and actions of the Government of South Africa to the foreign policy and economy of the United States.

Pursuant to that Order, I prohibited certain transactions, including the following: (1) the making or approval of bank loans to the South African Government, with certain narrow exceptions; (2) the export of computers and related goods and technology to certain government agencies and any apartheid enforcing entity of the South African Government; (3) nuclear exports to South Africa and related transactions, with certain narrow exceptions; (4) the import into the United States of arms, ammunition, or military vehicles produced in South Africa; and (5) the extension of export marketing support to U.S. firms employing at least twenty-five persons in South Africa which do not adhere to certain fair labor standards.

In addition, I directed (6) the Secretary of State and the United States Trade Representative to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands; (7) the Secretary of the Treasury to complete a study within 60 days regarding the feasibility of minting U.S. gold coins; (8) the Secretary of State to take the steps necessary to increase the amounts provided for scholarships in South Africa for those disadvantaged by the system of apartheid and to increase the amounts allocated for South Africa in the Human Rights Fund; and (9) the Secretary of State to establish an Advisory Committee to provide recommendations on measures to encourage peaceful

change in South Africa.

The declaration of emergency was made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act, 50 U.S.C. 1701 et seq., and the National Emergencies Act, 50 U.S.C. 1601 et seq. I submitted a report regarding the declaration to the Congress on September 9, 1985, pursuant to Section 204(b) of the International Emergency Economic Powers Act. Pursuant to Section 204(c) of that act, I am today reporting on the major actions taken in the exercise of the authorities contained in that act and Executive Order 12532. The following actions are listed in chronological order, and a copy of all implementing rules and regulations is enclosed.

On October 1, 1985, in Executive Order 12535, I prohibited the importation of the South African Krugerrands into the United States effective October 11, 1985 (50 Fed. Reg. 40325, Oct. 3, 1985). This Order implemented the course of action contemplated in Section 5(a) of Executive Order 12532.

On October 7, 1985, the Bureau of Alcohol, Tobacco and Firearms of the Department of the Treasury issued regulations on the Importation of Articles on the United States Munitions Import List (50 Fed. Reg. 42157, Oct. 18, 1985). These regulations implemented the prohibition of certain arms imports contained in Section 1(d) of Executive Order 12532.

On October 9, 1985, the Office of Foreign Assets Control of the Department of the Treasury issued the South African Transactions Regulations (50 Fed. Reg. 41682, Oct. 15, 1985). These regulations implemented the ban on the importation of the Krugerrand.

On October 22, 1985, the Department of

State published a notice in the *Federal Register* regarding the Establishment of the Advisory Committee on South Africa (50 Fed. Reg. 42817, Oct. 22, 1985). The Charter of the Advisory Committee has been filed with the Senate Foreign Relations Committee, the House Foreign Affairs Committee, and the Library of Congress. The Committee shall render a report to the Secretary of State within one year of its first meeting, which was held on January 29–30.

On November 4, 1985, the Department of State issued proposed regulations for public comment on South Africa and Fair Labor Standards (50 Fed. Reg. 46455, Nov. 8, 1985). The draft regulations were designed to implement the fair labor provisions stated in Section 2 of Executive Order 12532. Final regulations were issued by the Department of State on December 23, 1985 (50 Fed. Reg. 53308, Dec. 31, 1985).

On November 6, 1985, the Office of Foreign Assets Control of the Department of the Treasury issued the South African Transactions Regulations (50 Fed. Reg. 46726, Nov. 12, 1985). These regulations implemented the bank loan prohibition of Section 1(a) of Executive Order 12532.

On November 8, 1985, the Secretary of

the Treasury submitted a report on the feasibility of minting U.S. gold coins. On December 17, 1985, I signed the Gold Bullion Coin Act of 1985 (Public Law 99–185), which requires the minting of such coins.

On November 14, 1985, the International Trade Administration of the Department of Commerce issued regulations on Export Controls on the Republic of South Africa (50 Fed. Reg. 47363, Nov. 18, 1985). These regulations implemented the computer export prohibition in Section 1(b) and the prohibition against licensing exports to nuclear production and utilization facilities in Section 1(c) of Executive Order 12532.

The policies and actions of the Government of South Africa continue to pose an unusual and extraordinary threat to the foreign policy and economy of the United States. I shall continue to exercise the powers at my disposal to apply the measures contained in Executive Order 12532 as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

RONALD REAGAN

The White House,  
March 17, 1986.

## Nomination of William L. Roper To Be Administrator of the Health Care Financing Administration

March 17, 1986

The President today announced his intention to nominate William L. Roper to be Administrator of the Health Care Financing Administration, Department of Health and Human Services. This is a new position.

Dr. Roper is currently serving at the White House as Special Assistant to the President for Health Policy. Previously, he was a White House Fellow in the Office of Policy Development in 1982–1983. He served as assistant State health officer for the central Alabama public health area in 1981–1982 and health officer for the Jeffer-

son County Department of Health in Birmingham, AL, in 1977–1982. He also served at the University of Alabama in Birmingham (1979–1982) as associate professor, school of public health; associate professor in the graduate program in hospital and health administration; and clinical assistant professor of pediatrics.

Dr. Roper graduated from Florida College (A.A., 1968) and the University of Alabama (B.A., 1970; M.D., 1974). He is married and resides in Arlington, VA. He was born July 6, 1948, in Birmingham, AL.

## Designation of David Korn as Chairman of the National Cancer Advisory Board

March 17, 1986

The President today announced his intention to designate David Korn to be Chairman of the National Cancer Advisory Board for the term expiring March 9, 1988.

Dr. Korn is vice president and dean of Stanford University Medical School. He has served as professor and chairman of the department of pathology at the school; physician in chief of pathology at Stanford University Hospital; and consultant in pathology at the Palo Alto Veterans Administration Hospital. He is on the board of directors of

the California Society of Pathologists and of the council of the Association of Pathology Chairmen. He has served as a member of the editorial board of the American Journal of Pathology.

Dr. Korn graduated from Harvard College (B.A., 1954) and Harvard Medical School (M.D., 1959). He was a fellow at Massachusetts General Hospital (1956-1957). He is married, has three children, and resides in Stanford, CA. He was born March 5, 1933, in Providence, RI.

## Appointment of Four Members of the National Cancer Advisory Board

March 17, 1986

The President today announced his intention to appoint the following individuals to be members of the National Cancer Advisory Board for terms expiring March 9, 1992:

*Nancy Goodman Brinker* will succeed Eppie Lederer. Mrs. Brinker is founder and chairman of the board of the Susan G. Komen Foundation for the advancement of cancer research, in Dallas, TX. She is married, has one child, and resides in Dallas, TX. She was born December 6, 1946, in Peoria, IL.

*John R. Durant* will succeed William E. Powers. Dr. Durant is president of the Fox Chase Cancer Center in Philadelphia, PA. He is also adjunct professor of medicine at the associated faculty of the school of medicine at the hospital of the University of Pennsylvania. He graduated from Swarthmore College (B.A., 1952) and Temple University Medical Center (M.D.,

1956). He is married, has four children, and resides in Huntingdon Valley, PA. He was born July 29, 1930, in Ann Arbor, MI.

*Bernard Fisher* will succeed LaSalle D. Leffall, Jr. Dr. Fisher is professor of surgery at the University of Pittsburgh. He has served as director of oncology at the School of Medicine and University Health Center of Pittsburgh. He graduated from the University of Pittsburgh (B.S., 1940; M.D., 1943). He is married, has three children, and resides in Pittsburgh, PA. He was born August 23, 1918, in Pittsburgh.

*Phillip Frost* will succeed Rose Kushner. Dr. Frost is chairman of the board of Key Pharmaceuticals, Inc., in Miami, FL. He graduated from the University of Pennsylvania (B.A., 1957) and the Albert Einstein College of Medicine (M.D., 1961). He is married and resides in Miami Beach, FL. He was born November 11, 1936, in Philadelphia, PA.

## Remarks at a Dinner Honoring Speaker of the House of Representatives Thomas P. O'Neill, Jr.

March 17, 1986

Reverend clergy, Mr. Prime Minister, Mr. Speaker, ladies and gentlemen, I want to begin tonight by saying how touched I am to know that Tip wanted me here this evening. [Laughter] Why, he even called me himself last week and said, "Mr. President, make sure you don't miss the dinner Tuesday night." [Laughter] But to be honest, I've always known that Tip was behind me—[laughter]—even if it was only at the State of the Union Address. As I made each proposal, I could hear Tip whispering to George Bush, "Forget it. No way. Fat chance." [Laughter] I think it was inevitable, though, that there'd be a standoff between us. Imagine one Irishman trying to corner another Irishman in the Oval Office. [Laughter] But despite all this, Tip wanted me here. He said that since it was March 17th, it was only fitting that someone drop by who actually had known St. Patrick. [Laughter] And that's true, Tip. I did know St. Patrick. In fact, we both changed to the same political party at about the same time. [Laughter]

Now, it's true that Tip and I have our political disagreements. Sure, I said some things about Tip, and Tip said some things about me. But that's all history. And anyway, you know how it is, I forget. [Laughter] I just follow that old motto, "Forgive and forget." Or is it, "Forget and forgive"? [Laughter]

Ladies and gentlemen, I think you know Tip and I've been kidding each other for some time now. And I hope you also know how much I hope this continues for many years to come. A little kidding is, after all, a sign of affection, the sort of things that friends do to each other. And, Mr. Speaker, I'm grateful you have permitted me in the past, and I hope in the future, that singular honor, the honor of calling you my friend. I think the fact of our friendship is testimony to the political system that we're part of and the country we live in, a country which permits two not-so-shy and not-so-retiring Irishmen to have it out on the issues rather

than on each other or their countrymen.

But in addition to celebrating a country and a personal friendship, I wanted to come here tonight to join you in saluting Tip O'Neill, to salute him for the years of dedication and devotion to country. Tip's recollections of politics go back, of course, far beyond my own. [Laughter] He's seen some who play the game well and others who do not. He's seen some who love politics and some who came to it only out of a sense of duty. But through it all, Tip has been a vital and forceful part of America's political tradition, a tradition that he has truly enriched.

Yet Tip O'Neill represents far more than just this political tradition. Deep within, too, is the memory of places like Back Bay and South Boston, the docks, the piers, those who came off the ships in Boston Harbor seeking a better land, a better way for their children. And they found that something better. They rose above the prejudice and the hardship. Tip would see one of his contemporaries become President. John F. Kennedy would be 68 today had he lived. And Tip can remember those golden hours better than most in this room. And, then, not too many years later, there was another of immigrant stock who would become Speaker of the House. In so short a time, so much leadership from one city, one place, one people. How fitting that Boston College, a place that became to so many of those new arrivals a symbol of moving upward and onward; how fitting that Boston College, whose towers on the heights have reached to heaven's own blue for so many, should sponsor this salute to Tip O'Neill.

Tip, you are a true son of Boston College and our friend, and we salute you. You are also a leader of the Nation, and for that we honor you. But you also embody so much of what this Nation is all about, the hope that is America. So, you make us proud as well, my friend; you make us proud.

Thank you. God bless you all.

*Note: The President spoke at 8:06 p.m. in the International Ballroom at the Washington Hilton Hotel. In his opening remarks,*

*the President referred to Prime Minister Garret FitzGerald of Ireland.*

## Remarks at the Welcoming Ceremony for Prime Minister Brian Mulroney of Canada

March 18, 1986

*The President.* Prime Minister Mulroney, today we offer you a heartfelt welcome. *Bienvenue aux Etats-Unis. Bienvenue à Washington.* [Welcome to the United States. Welcome to Washington.]

It's always an honor for any President of the United States to sit down with the leader of the people of Canada and, in a spirit of good will, talk over our mutual concerns. The Right Honorable John Diefenbaker, a great conservative, the chief, whose memory I know Brian Mulroney holds dear, once said that President Eisenhower and he spoke to one another with the candor of free men in friendship. Well, today the traditionally close ties between our countries are being bolstered by the personal bonds that have developed between our peoples—and, yes, between the elected officials of our countries.

So, today I offer you a special welcome as well as an official one. Nancy and I are delighted to see you and Mila again. Our citizens have grown to expect positive relations between Canada and the United States; however, I would suggest that we must never take our friendship for granted. It must be fostered and nurtured to keep it strong, vibrant, and relative to those areas which most interest our peoples.

Your visit, Mr. Prime Minister, comes at an opportune time. Progress has been made in a number of areas, and our discussions should move the agenda along even further. The United States and Canada are poised to negotiate an historic new trade agreement. Our goal is an accord that could well be heralded on both sides of the border as a landmark accomplishment, a cornerstone for future prosperity. A new economic arrangement between Canada and the United States could, to our mutual benefit, encour-

age vigorous, new economic activity and put an end to the many of the irritants that have bedeviled us.

Mr. Prime Minister, the two of us share a commitment to economic growth as a means of improving the well-being of our citizens. Canada and the United States, as nations built by immigrants, both enjoy many ties with the Old World. We both have growing links with the nations of the Pacific rim. But here again, let us not lose perspective on the importance of our relationship. We are still each other's largest trading partner. The commercial interaction of our people, generally free from rancor and distrust, has been an unmatched blessing to our citizens. While recognizing that we are separate and independent countries, each with our own national pride, traditions, and institutions, there are few things we can do which will be more of a boon to our people than protecting and expanding upon our many bonds of enterprise and commerce.

Protecting the environment, as one would expect when two countries share a 5,000-mile common border, is also a matter of great significance. Environmental issues, especially those dealing with air pollution, are serious challenges. Today we must build on what has already been accomplished and bring these issues closer to resolution.

Canada and the United States have been cooperating to make this a more prosperous world and also to make this a safer and peaceful world. Who can forget that we stood shoulder to shoulder in two world wars and in Korea to protect democracy and to save a besieged mankind from tyranny? And in the years since, Canada and the United States have shared the defense of the continent. But even more important,

we've played a key role in the North Atlantic Treaty Organization, history's most successful alliance—a pact which has given us 40 years of European peace. Today, Mr. Prime Minister, NATO is rebuilding to ensure that it remains fully capable of accomplishing its mission into the next century. And if all its members carry their fair share, NATO will be able to preserve the peace, which is, after all, its primary mission and which is, after all, the responsibility of all free people. If there is any lesson in history, it is that free people must be strong if they are to live at peace.

I want to salute Prime Minister Mulroney for the tough measures that Canada is taking to combat the ugly threat of terrorism. The free and democratic nations of the world are just now mobilizing to rid mankind of this plague. There's every reason for optimism that this fight will be won and that international terrorism will be relegated to the garbage heap of history where it belongs.

I'm looking forward, Mr. Prime Minister, to discussing these areas vital to our national securities and the peace of the world. The people of our two countries are setting an example to the rest of the world. We're proving that two proud and independent nations can live side by side, each respecting the sovereignty and the rights of the other. Our cooperation and the mutual profit we enjoy is the envy of so many nations. Well, we're showing them how to do it. President Harry Truman put it best: "We Canadians and Americans," he said, "are proud of our joint record. But we claim no monopoly on that formula." What we're trying to do, Canadians and Americans together, is to build a better world. And in this noble endeavor, let us pray that the citizens of our two countries will always be on the same team—freedom's team.

Mr. Prime Minister, welcome. *Allons-y à travail* [Let's go to work].

*The Prime Minister.* Thank you, Mr. President. It's good to be with you again. As you'll recall, you were the first head of government I met with, and this was the first capital I visited only days after the installation of our government 18 months ago yesterday. Some days in the House of Commons, Mr. President, seem a lot longer.

[*Laughter*] I wanted to make clear then and I want to repeat now that harmonious and fruitful relations between Canada and the United States are a top priority with us. With that in mind, we agreed from the beginning that it would be useful, indeed indispensable, for us to meet annually; and so, we met 1 year ago in Quebec City. You remember, Mr. President, it was a cold day; you wore a green tie—and Tip wasn't there—[*laughter*—and we launched a new era in our relations.

Canadians and Americans, though different in many ways, share many of the same values. These meetings will provide us with an occasion to review our relations but also with an opportunity to renew our friendship. How far have we come in the last year? Where do we hope to go in the next year or two? There are a number of questions on the bilateral agenda, not all of them near resolution by any means.

But let me say first, Mr. President and Nancy, that I come here today with Mila to celebrate the common heritage, the community of interest and the commonality of purpose between our two great countries. We are more than one another's best friends; we are far and away one another's largest trading partner. But we don't take one for granted any more than the other. Friends stay in touch, and partners have to work at it. President Reagan and I stay very much in touch, and we're working very hard to assure that our trading partnership continues to grow on the basis of mutual interest and mutual trust. And that doesn't mean that there won't be straight talk even among the best of friends. It is precisely because we are friends that we speak so frankly and so clearly to each other. Such candor, I think, cements our friendship and sustains our relationship.

And so, Mr. President, Mila and I are delighted to be here with you today, with you and Nancy. We very much look forward to our meetings and just getting together again in the course of our visit. Thank you, sir, and thank all of you.

*Note: The President spoke at 10:11 a.m. at the South Portico of the White House, where the Prime Minister was accorded a formal*

welcome with full military honors. Following the ceremony, the President and the Prime Minister met privately in the Oval Office and then held an expanded meeting.

## Informal Exchange With Reporters Prior to a Meeting With Prime Minister Brian Mulroney of Canada

March 18, 1986

*The Prime Minister.* Good morning, again.

*Q.* Are the Blue Jays going to do it this year?

*The Prime Minister.* The Jays? Oh, yes. The Jays and Expos. Although some people from southern California disagree. [Laughter]

*Q.* Mr. Prime Minister, why is Canada giving aid to Nicaragua?

*The Prime Minister.* I beg your pardon?

*Q.* Is Canada not providing foreign aid to Nicaragua, and why?

*The Prime Minister.* Canada provides foreign aid to dozens and dozens and dozens

of countries around the world. One of our noblest traditions is the, as is yours, is the providing of aid to countries less well off than ourselves. And we've been doing it ever since Canada was founded, pretty well. And it's a noble tradition that we plan to maintain.

*Q.* How do you feel about that, Mr. President?

*The President.* That's a matter for the sovereign state of Canada.

*Note: The exchange began at 10:33 a.m. in the Oval Office at the White House.*

## Appointment of Bruno O. Weinschel as a Member of the President's Committee on the National Medal of Science

March 18, 1986

The President today announced his intention to appoint Bruno O. Weinschel to be a member of the President's Committee on the National Medal of Science for a term expiring December 31, 1987. He will succeed Perry Adkisson.

Dr. Weinschel has been serving as chief engineer and president of Weinschel Engineering in Gaithersburg, MD, since 1952. He currently serves as president of the board of directors of the Institute of Electri-

cal and Electronic Engineers (IEEE). He was chairman of the Engineering Affairs Council, American Association of Engineering Societies, in 1980-1981. He was a fellow at the IEEE in 1966.

Dr. Weinschel received a bachelor of arts degree (1938) and a doctor of engineering degree (1966) at the Technical University of Munich, Germany. He is married and has six children. He was born May 26, 1919, in Stuttgart, Germany.

## Appointment of Three Members of the President's National Security Telecommunications Advisory Committee

March 18, 1986

The President today announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee:

*Irving Goldstein* will succeed Joseph Charyk. Mr. Goldstein is chairman and chief executive officer of Communications Satellite Corp. in Washington, DC. He graduated from Queens College (B.A., 1960) and New York University (J.D., 1963). He is married, has two children, and resides in Chevy Chase, MD. He was born March 27, 1938, in Catskill, NY.

*Thomas Gilmore Pownall* will succeed Caleb B. Hurtt. Mr. Pownall is chairman and chief executive officer of Martin Marietta Corp. He graduated from the United States Naval Academy (B.S., 1946). He is married, has two children, and resides in Bethesda, MD. He was born January 20, 1922, in Cumberland, MD.

*Donald Bernard Rassier* will succeed Henry E. Hockeimer. He is president of Ford Aerospace & Communications Corp. in Detroit, MI. He graduated from Long Beach State College (B.S., 1946). He is married, has three children, and resides in Bloomfield Hills, MI. He was born July 3, 1929, in St. Joseph, MN.

## Toasts at the State Dinner for Prime Minister Brian Mulroney of Canada

March 18, 1986

*The President.* Did you think I'd never get here? [*Laughter*] Well, Prime Minister and Mrs. Mulroney—Brian and Mila—distinguished guests, and ladies and gentlemen, it's a pleasure to welcome you to the White House. A year ago almost to the day, I celebrated one of the most enjoyable St. Patrick's Days in my memory, and I can assure you that my memory goes back a long way. [*Laughter*] And the recollection of that beautiful day at Quebec City is not the only thing that Brian Mulroney and I have to commemorate in connection with his visit to Washington this time. In just 2 days, if my calculations are correct, Brian will be 47 years old. And, kid, I wish you the very best. [*Laughter*] You know, Mr. Prime Minister, I'm beginning to notice that every time they bring out my birthday cake, the top of it's beginning to look more and more like a torchlight parade—[*laughter*]—and I have a feeling that I'll be signing a disaster proclamation the next day. [*Laughter*] But seriously, though, Mr. Prime Minister, we wish you a very happy birthday, and we're so pleased to have you and Mila with us this evening.

I enjoyed our discussions today. I worked with Canadians long before I ran for public office. The contributions Canadians have been making on our way of life and every profession is incalculable. The bond of affection between us is truly a treasure. We drew upon those historic bonds, Mr. Prime Minister, when last year at Quebec we laid the foundation for what I call the new partnership. We've continued today, fully recognizing that the long-term stakes are high. We can work together to resolve the issue of acid rain, as we've worked together to resolve so many environmental issues before. We can ensure that our joint defense remains so strong that no aggressor will ever attack us. And we can reach a new agreement on trade that would help us achieve unparalleled prosperity for our citizens.

I strongly endorse a prompt start to formal negotiations in the fullest possible scope to those talks. Before I leave the White House, Mr. Prime Minister, I hope that we can bring these negotiations to a successful conclusion. We can lead our



people into the light of prosperity, freedom, and good will. Nothing less, of course, should be expected of two free peoples who live so close. Freedom is the fountainhead from which mutual respect and amicability flow. And freedom is what America—Canada and the United States—is all about.

A story that reflects this love of freedom concerns a young man, John Magee, whose father was rector of St. John's Church, which is right across Lafayette Square from the White House here. In 1940, in the dark days of the Second World War—the United States was still not in the fight—Canada, responding to the pull of ancient loyalties, had joined the struggle the year before. So, like thousands of others, John Magee crossed the border to join up. He became Pilot Officer Magee of the Royal Canadian Air Force. In 1941 his squadron was sent to fight in the Battle of Britain. A few days after his arrival in England, he sent a letter back home. "I am enclosing," he said, "a verse I wrote the other day. It started at 30,000 feet and was finished soon after I landed." But on December 11, 1941, Pilot Officer Magee was killed at age 19. He had lived just long enough to see his own country join the struggle at the side of his foster land.

Well, that verse he sent back is called "High Flight." And the day we lost the valiant seven of the space shuttle *Challenger*, it came instantly to my mind: "Oh, how I have slipped the surly bonds of Earth, put out my hand, and touched the face of God." "High Flight" was a beloved favorite of the Royal Canadian Air Force, whose motto was "Through Perseverance We Reach the Stars." As a matter of fact, it was adopted by our own Air Force, and it was—I don't believe there's an Air Force installation in this country that did not have someplace—displayed his poem. It resonates in the hearts of all who cherish the twin values of faith and freedom. And it resonates in the hearts of North Americans. And so, we remember Pilot Officer John Magee—American poet, Canadian pilot, North American hero.

So, ladies and gentlemen, please join me in a threefold toast to Her Majesty the Queen of Canada, to my good friend Prime Minister Brian Mulroney, to his lovely wife,

and to the enduring bond between our two North American peoples.

*The Prime Minister.* Mr. President and Nancy, *chers amies Américains, et chers constitués à Canadiens*—I learned that from President Reagan last year. [Laughter] Make a fine candidate—Canada. [Laughter] It is with a particular mix of pleasure and pride that Mila and I have come to this great capital and to this celebrated house; pleasure at being among such friends again, particularly Ron and Nancy Reagan—to find you looking, as is said, Mr. President, in French—*dangereusement bien*—so dangerously well—[laughter]—I'll mention that to Tip tomorrow—[laughter]—and pride in the occasion to renew and toast the friendship between our two countries, our two peoples, and if I may say so, ourselves as good friends. I hope that my brief reference in French will not lead to the suspicion that I am attempting to capitalize on the well-known regard which Americans have had for the French since Lafayette took his position beside George Washington in the Revolution.

I suppose, Mr. President, that Canadians most admire, of all things, your uncanny ability to forecast the future. When you became aware what television was going to do to the movies, you decided to try something easy—[laughter]—you chose politics, and we're glad that you did. Nearly two centuries ago, when John Adams took up residence in what was then known as the "President's House," he composed a prayer that is today carved in the mantle of this residence: "May none but honest and wise men," he concluded, "ever rule under this roof." We feel not only among friends but, in a very real sense, among family.

In 1939 Winston Churchill said of our two countries: "That long frontier from the Atlantic to the Pacific Oceans, guarded only by neighborly respect and honorable obligations, is an example to every country and a pattern for the future of the world." For just as we share a continent, just as we have jointly inherited our precious environment, we are bound up inevitably in one another's economic interests. I speak, of course, Mr. President, in response to your observation of the trading relationship between our two

countries, a relationship already uniquely important in the affairs of the world.

I speak also of a new challenge—further trade liberalization between us. On October 1 last, I advised the President of the Canadian desire to pursue a new trade agreement with the United States. On the following day, Mr. President, you welcomed the Canadian initiative. In these first days of October I think that we issued to our respective countries an historic challenge, one of historic proportions, by expressing the wish to enter into negotiations. I, for my part, was responding to some questions that are asked at home. Are we in Canada confident enough in our ability to maintain our political sovereignty in a process that will lead to closer relations? And the answer is yes. Have we in Canada a cultural identity strong enough to live and grow in this process? And the answer is yes. And have we in Canada developed the economic and commercial enterprises necessary to prosper under greater competition? And the answer, again, is emphatically yes.

I think, Mr. President, the challenge for your country may well be to show understanding of our concerns as we shall for yours. With you as our only immediate neighbor, we have developed as a distinct nation. Let's continue to grow stronger, each in our own ways. Let's continue to reinforce one another by exchanging what we produce that is best. This was the key to our success in the past and this, I think, is the promise of our future. Because if we have the wisdom and forbearance to succeed, then the whole world will be the beneficiary, just as Churchill foresaw.

A half-century ago Canada and the United States blazed a new trail towards lower tariffs and quotas—the world was very different then. But the imperatives of liberalization are more compelling than ever in our increasingly interdependent economies. Neither of our countries was built by the fainthearted. We've already achieved much together, from commerce to communications, from sea to space, in joint ventures based on mutual interest and mutual respect. Earlier today I had the

pleasure of informing the President that Canada has accepted his invitation to join in the manned space station project. This venture symbolizes our joint confidence in the future, our commitment to shared technology, and Canada's pride in joining you in the exploration of space.

I know Ronald Reagan to be a man of warmth and wisdom, of grace and good will. We, in Canada, know we have a true and valued friend in President Reagan. Friends may sometimes disagree, friends may diverge in opinion, friends speak frankly, but they give each other the benefit of the doubt. There can be no doubt, however, about our common commitment to freedom, Mr. President, and our common commitment to peace. We concur wholeheartedly with your view that not only is nuclear war unwinnable, it must never be fought.

Canadians, no less than Americans, were deeply relieved when the President of the United States met last fall with a leader of the Soviet Union. In honest dialog there is a beginning of understanding. You, Mr. President, have broken new ground in your offer to the Soviet Union last week to exchange information and technologies with the Soviets for verifying limits on nuclear testing. We remain confident that the spirit of Geneva will carry over into your next meeting with Mr. Gorbachev and your visit to the Soviet Union. The hopes of the world ride on the outcome of your discussions with Secretary Gorbachev. Our prayers and our support go with you. Mr. President, your entire career has been a testament to courage and conviction, to your desire to do the right thing for America and for the world. That determination will prevail in your pursuit of world peace.

At this time, colleagues and friends, I am privileged, honored, to propose a toast to a friend—and a very distinguished friend of Canada. Ladies and gentlemen, for Nancy and for the President of the United States of America.

*Note: The President spoke at 9:46 p.m. in the State Dining Room at the White House.*

## White House Statement on the 30th Anniversary of Sister Cities International

*March 19, 1986*

The President met today with the leadership of Sister Cities International to mark their 30th anniversary and receive their award for his contribution to international understanding. The President is the Honorary Chairman of Sister Cities International.

Over the years many ideas have been tried in the field of private international exchanges. For 30 years the Sister Cities programs have been among the most successful and effective. Sister Cities programs began after 1945 but became a full-scale national effort in 1956 when President Eisenhower initiated the People-to-People Program at the White House. Since then, Sister City relationships have been established between more than 745 U.S. cities, representing more than 90 million Americans and over 1,100 communities in 86 nations.

Sister Cities programs have worked to eliminate barriers of culture and language and have enhanced the opportunities for mutual understanding. Because of Sister

Cities programs, thousands of young people have the opportunity each year to expand their horizons, American know-how is made available to help people in dozens of developing countries, and thousands of people around the world can see the American volunteer spirit at work.

Sister Cities International is also an important part of our effort to expand and broaden contacts and communications between the people of the United States and the Soviet Union. The President and General Secretary Gorbachev agreed in Geneva on the utility of broadening exchanges and contacts and finding new ways to increase cooperation. People-to-people programs can help build better understanding and genuine constituencies for peace.

The Sister Cities programs are an outstanding example of citizen and private sector participation at their best in the field of international exchange, understanding, and cooperation. We wish them well on their anniversary.

## Remarks on Signing the Canada-United States NORAD Agreement and Endorsing the Joint Report on Acid Rain

*March 19, 1986*

*The President.* I'm delighted to join with my good friend, the Prime Minister, in putting our signatures on an agreement to extend the unique Canada-U.S. partnership in the North American Aerospace Defense Command, known as NORAD. The last time this agreement was renewed was during my visit to Ottawa in March of 1981, which was my first trip abroad as President. I'm sure that the Prime Minister would agree that NORAD has served our mutual interests and has been a significant factor in enhancing deterrence, promoting global stability in the nearly 30 years of its existence. It's therefore entirely appropriate

that we extend this joint command for an additional 5 years.

Another topic of particular interest to the Prime Minister and me was the report of our Special Envoys on acid rain, Drew Lewis and Bill Davis. Drew, unfortunately, couldn't be here today; Bill Davis is. And we undertook this effort because we recognized that acid rain was a serious concern affecting both our countries and our relations with each other. The study we commissioned was in keeping with the long history of U.S.-Canada cooperation in dealing with environmental issues. And today I would like to commend Bill and Drew,

even though he's absent, for their thorough and conscientious work. Their joint report attests to the serious and practical manner in which they discharged their duties, and I know that Prime Minister Mulroney shares my appreciation and admiration for their balanced and well-drafted joint report. I'm pleased to say that I fully endorse the report and will shortly issue a press statement to this effect.

I wish I could say that our action today takes the acid rain issue off our bilateral agenda; unfortunately, this cannot be. Serious scientific and economic problems remain to be solved. But in the spirit of cooperation and good will, which has come to characterize the way Canadians and Americans approach their common problems, I am confident that we have begun a process which will benefit future generations in both our great countries.

*The Prime Minister.* Mr. President, I'm very encouraged by your statement and appreciate your personal commitment to resolve our common problem in acid rain. And your undertaking that you have made, sir, in regard to your personal commitment, that of your administration, as well as your undertaking to secure appropriate funding is very welcome.

Acid rain imperils the environment in both countries. At Quebec we commissioned two personal envoys, Drew Lewis and Bill Davis, to take charge of this issue and to break new ground. They didn't let us down. I salute Bill Davis, who's here today. And I was honored to meet with Drew Lewis yesterday at a meeting with Secretary [of State] Shultz. I think they've produced a balanced and a realistic document. We now have an agreed foundation on which to build. Your full endorsement of this report, Mr. President, represents a significant step, in my judgment, in the right direction.

We have a proud tradition of resolving transboundary environmental problems. We intend to carry on that tradition and to carry it forward. As neighbors and custodians of our common heritage, we must do no less, and much remains to be done. By agreeing to keep acid rain on our agenda, Mr. President, we signal our joint determination to solve this problem. Your Secretary of State, our Secretary of State for External Affairs, and other Cabinet officials will report on this vital effort regularly to us. I am confident that we can move to early and substantial reductions of damage to our environment. This remains our urgent goal, and I'm very grateful to you, Mr. President, for your personal support in meeting this challenge.

Mr. President, on behalf of the Government of Canada and on behalf of my colleagues and friends in regard to this issue and so many others, we have had a very productive and constructive meeting with you, as we've had in the past. And I want to thank you on behalf of Canadians for your attention and your sensitivity to Canada's problems and to the great obligation of solving these problems constructively together. Canada will always work with the United States to build new opportunities and new prosperity for our people. And we thank you for the warmth of your welcome and the courtesies extended to all members of our delegation. Thank you, Mr. President.

*The President.* Well, Mr. Prime Minister, believe me, the feeling is mutual between our two countries and our two peoples.

*Note: The President spoke at 1 p.m. in the Roosevelt Room at the White House. Prior to the ceremony, the President and the Prime Minister had lunch in the study adjoining the Oval Office.*

## Statement by Principal Deputy Press Secretary Speakes on the Canada-United States Report on Acid Rain *March 19, 1986*

The President and Prime Minister Mulroney commissioned Drew Lewis and William Davis last year in Quebec City to conduct a thorough study of the acid rain problem and to submit their findings and recommendations within 1 year. This report was presented to the President and the Prime Minister on January 8, 1986. After careful review, the President endorses fully the joint report of the Special Envoys.

As stated in the report, acid rain is a serious environmental problem in both the United States and Canada with transboundary implications for both countries. The United States pioneered air pollution controls and as a nation has spent approximately \$75 billion since the 1970 passage of the Clean Air Act to limit emissions of pollutants identified as precursors of acid rain. By 1990 approximately \$100 billion will have been spent for this purpose. As a result of these actions, from 1973 to 1983 emissions of major precursors have declined significantly. However, as the joint report notes, more needs to be done. This administration has already provided substantial support for clean coal technologies. For fiscal year 1981 through FY 1985, a total of almost \$2.2 billion in total research funds has been allocated in the United States to develop technologies for cleaner utilization of coal.

In order to expand the control options available to industry, as recommended in the joint report, the administration will pursue a program to develop and demonstrate innovative control technologies. In this year's budget \$700 million has been earmarked for clean coal research between FY 1986 and FY 1991. In addition an \$800 million joint industry/government program designed to develop and demonstrate clean

ways to burn coal will be implemented. Although it does not now have all of the funds, the administration will seek to provide in the future the funding recommended in the joint report. We will also encourage States to undertake similar efforts, as several have already done.

The President will also direct Federal departments and agencies to take the following steps in order to implement the cooperative activities and research recommendations of the Special Envoys:

- Identify and assess cost-effective and innovative approaches leading to reduced emissions of pollutants linked to acid rain.

- Strengthen bilateral consultation and information exchanges with Canada. To this end, the Secretary of State shall establish an interagency advisory and consultative group on transboundary air pollution comprised of both foreign affairs and environmental management officials to provide advice to the President and to serve as a forum for discussion with a similarly constituted Canadian group.

- Conduct a coordinated interagency review of relevant research in light of the joint envoys' report. In this regard, the administration has requested \$85 million for FY 1987 to assess the causes, effects, and possible methods of mitigating the results of acid rain. (Since 1982 the administration has spent \$255 million for this purpose. Under current plans an additional \$225 million will be spent between now and 1989.)

The issue of acid rain will be a continuing item on the agenda of future summit meetings.

*Note: Larry M. Speakes read the statement to reporters at 1:40 p.m. in the Briefing Room at the White House.*

## **Nomination of Dorcas R. Hardy To Be Commissioner of Social Security**

*March 19, 1986*

The President today announced his intention to nominate Dorcas R. Hardy to be Commissioner of Social Security, Department of Health and Human Services. She would succeed John A. Svahn.

Ms. Hardy has been serving as Assistant Secretary for Human Development Services at the Department of Health and Human Services since 1981. Previously she was associate director of the Center for Health

Services at the University of Southern California in 1974–1981. Since 1983 she also has been serving as the Chairman of the President's Task Force on Legal Equity for Women.

Ms. Hardy graduated from Connecticut College (B.A., 1968) and Pepperdine University (M.B.A., 1976). She was born July 18, 1946, in Newark, NJ, and now resides in Arlington, VA.

## **Appointment of Nancy M. Haist as a Delegate to the National White House Conference on Small Business**

*March 19, 1986*

The President today announced his intention to appoint Nancy M. Haist to be a delegate to the National White House Conference on Small Business. This is a new position.

Mrs. Haist is president of Communication Equipment and Engineering Co. in Planta-

tion, FL. She is also a member of the National Association of Woman Business Owners and of the Plantation Chamber of Commerce.

She is married, has six children, and resides in Del Ray Beach, FL. She was born December 31, 1929, in Nashville, TN.

## **Message to the Congress on United States Assistance for the Nicaraguan Democratic Resistance**

*March 19, 1986*

*To the Congress of the United States:*

Since I transmitted my message to the Congress on February 25 requesting additional assistance for the Nicaraguan democratic resistance, I have heard from many thoughtful Members of Congress, as well as from Latin American leaders and the leaders of the Nicaraguan democratic resistance. Many have raised the question of how the additional authority I have requested could be implemented so as to help persuade the Government of Nicaragua to engage in a serious effort to resolve the conflict in Central America through peaceful means.

I am determined to make every effort to protect our vital interests and achieve peace without further loss of life. That is why on February 10 I proposed simultaneous talks by the Government of Nicaragua—with their opposition and with the United States. That is why on February 25 I affirmed my commitment to direct the additional assistance I have requested toward a comprehensive and verifiable agreement among the countries of Central America, based on the Contadora Document of Objectives. And that is why on March 7 I appointed Ambassador Philip Habib as my

special envoy for Central America.

On Sunday night, I described to the American people the threat to our security that confronts us in Central America. As I said then, we are still willing to pursue vigorously a diplomatic effort to achieve a lasting peace. Approval of my request for additional assistance to the Nicaraguan democratic resistance does not mean that a military solution is inevitable. It is, however, essential that the Congress act now to approve this assistance if diplomacy is to have a chance. Accordingly, I am providing in this message a further explanation of how I will implement the authority I have requested.

If the Congress approves my request I will send my special envoy on an urgent mission to the capitals of the Contadora and Support Group nations. He will ask them to join with us in urging the Government of Nicaragua to initiate a national dialogue with representatives of all elements of the democratic opposition, designed to achieve the goals set out in the widely heralded proposal announced by six opposition Nicaraguan political parties on February 7, 1986. Their proposal, which has been endorsed by the Nicaraguan democratic resistance, calls for an immediate cease-fire, an effective general amnesty, abolition of the state of emergency, agreement on a new electoral process and general elections, effective fulfillment of international commitments for democratization, and observance of implementation by relevant international groups and bodies.

President Duarte's additional proposal for simultaneous dialogue with the Salvadoran guerrillas, a proposal endorsed by the democratic Presidents of Costa Rica, Honduras, and Guatemala, reinforces the importance of an internal dialogue in Nicaragua to address the objectives of the six-party proposal of February 7.

In order to give the Government of Nicaragua every reasonable opportunity to respond favorably, and to provide an incentive for a positive response, I will limit the assistance to be provided to the Nicaraguan democratic resistance for 90 days following approval of my request to the following:

(1) humanitarian assistance, as defined in section 722(g) of P.L. 99-83, including sup-

port for programs and activities to strengthen respect for human rights;

(2) logistics advice and assistance;

(3) equipment and supplies necessary for defense against air attack;

(4) support for democratic political and diplomatic activities; and

(5) training in radio communications, collection and utilization of intelligence, logistics, and small-unit skills and tactics.

Following this 90-day period, additional types of assistance will be provided to the Nicaraguan democratic resistance only if—

(1) I have determined, after consultation with the Congress,

(a) that the Central American countries have not concluded a comprehensive agreement based on the Contadora Document of Objectives;

(b) the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on freedom of speech, assembly, and religion; and

(c) there is no reasonable prospect of achieving these developments through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance;

(2) I have reported my determination to the Congress; and

(3) Fifteen days have elapsed following my report to the Congress, during which the Congress may take such legislative or other action as it deems appropriate.

Should the conditions described in subparagraph (a) or (b) of paragraph (1) later be achieved, assistance to the Nicaraguan democratic resistance will again be limited to the categories, described above, available during the initial 90 days following approval of my request, for so long as the Government of Nicaragua acts in good faith to maintain those conditions.

In order to keep the Congress fully and currently informed of developments relating to diplomatic efforts to achieve a peaceful resolution of the conflict during the 90 days following approval of my request, I will appoint a special bipartisan commission to report on negotiations, whose reports will

be made available to the Congress. This commission shall be composed of individuals, none of whom shall be a Member or employee of the Congress or an officer or employee of the United States, recommended by the Speaker and Minority Leader of the House of Representatives and the Majority and Minority Leaders of the Senate, with a fifth member of the commission to be recommended by the four other commissioners.

This approach represents a sincere effort to achieve peace through negotiations. In order to further this effort, I will make \$2,000,000 of the funds I have requested for assistance to the Nicaraguan democratic resistance available to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) to facilitate their participation in regional meetings and negotiations. In addition, I will encourage those countries and the Contadora and Support Group nations to make regular and public reports on the status of negotiations, the likelihood of achieving a comprehensive agreement, progress toward national reconciliation, and the obstacles thereto.

Moreover, the United States will assist all indigenous groups which are committed to work together for democratic national reconciliation in Nicaragua based on the six-party proposal. We will require only that they respect international standards of conduct, refraining from violations of human rights or other criminal acts, and they they work together toward this common goal.

In this regard, the democratic resistance has been broadening its representative base. The United Nicaraguan Opposition (UNO) now includes the largest of the Indian/Creole resistance groups (KISAN), and has forged cooperative relationships with other democratic resistance elements. The UNO has also engaged in constructive discussions with the Southern Opposition Bloc (BOS). And UNO has further strengthened unity by ensuring that all its military forces are responsive to its civilian leadership. We wholeheartedly support these developments and will encourage the democratic opposition to take further steps that will increase its unity and its appeal to the Nicaraguan people. Toward this end, I will reserve not less than \$10,000,000 of the

funds I have requested for assistance to resistance forces otherwise eligible and not currently included within UNO, one-half of which shall be for BOS and one-half shall be for the Indian resistance force Misurasata.

However, no group shall receive assistance from the United States if it retains in its ranks any individual who engages in—

(1) gross violations of human rights (including summary executions, torture, kidnapping, forced recruitment, or other such violations of the integrity of the person); or

(2) drug smuggling, or significant misuse of public or private funds.

There are two other issues, relating to funding, that I ask you to consider.

First, there has been inaccurate public speculation about what additional funds for assistance to the Nicaraguan democratic resistance might be available beyond the \$100 million for fiscal years 1986 and 1987 that I have requested be transferred from amounts already appropriated to the Department of Defense. I want to state unequivocally that I will not augment this \$100 million through the use of CIA or any other funds that have not been approved by the Congress for this purpose.

Second, when I proposed to the Congress a Central America Democracy, Peace, and Development Initiative to implement the recommendations of the National Bipartisan Commission on Central America, I included Nicaragua among the countries that could benefit from this initiative. The Congress accepted my recommendation in enacting a new chapter of the Foreign Assistance Act of 1961. The Congress also authorized in that Act, as the Bipartisan Commission recommended and I requested, the appropriation of the full \$1,200,000,000 in nonmilitary assistance for Central America for fiscal years 1988 and 1989. However, the current authorization for fiscal year 1987 falls short of this goal. This, combined with appropriations shortfalls from previous years, is an obstacle to timely progress. I will ask the Secretary of State, the Administrator of the Agency for International Development, and the Director of the Office of Management and Budget to develop a plan to overcome the funding shortfalls that have occurred. In addition, I urge the Congress to provide the



full amounts of economic assistance I have requested in my budget for fiscal year 1987 so that the necessary long-term commitment urged by the Bipartisan Commission will be fulfilled, and so that the promises of peace and freedom will be realized throughout Central America.

Upon the enactment of a joint resolution approving my request, I shall issue an Executive order to provide for the implementation of the undertakings I have expressed in this message and in my message of February 25. The Secretary of State, or his designee, will be responsible, under my direction, for policy guidance and coordination

of United States Government activities under that Executive order.

In conclusion, I must stress that our diplomacy cannot succeed without the demonstrated resolve of the United States to protect its own interests and those of the brave men and women who are fighting for democracy in Central America. The time for decision is now. Your vote on my request will be a fateful one. I need and urge your support on this vital issue.

RONALD REAGAN

The White House,  
March 19, 1986.

## Message to the Congress Reporting Budget Rescissions and Deferrals

*March 20, 1986*

*To the Congress of the United States:*

In accordance with the Impoundment Control Act of 1974, I herewith report two revised rescission proposals totaling \$54,920,475, two new deferrals of budget authority totaling \$2,026,462, and one revised deferral of budget authority totaling \$10,238,000.

The rescissions affect programs in Funds Appropriated to the President and in the Department of Energy.

The deferrals affect programs in the Departments of Commerce, Interior, and

Transportation.

The details of these rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN

The White House,  
March 20, 1986.

*Note: The attachment detailing the proposed rescissions and deferrals was printed in the "Federal Register" of March 26.*

## Statement by Principal Deputy Press Secretary Speakes on the Mutual and Balanced Force Reduction Negotiations

*March 20, 1986*

Today marked the close of the 38th round of the Mutual and Balanced Force Reductions [MBFR] negotiations in Vienna, where the United States and its NATO allies continued efforts to find common ground with the Warsaw Pact on the reduction of conventional forces in Central Europe. Unfortunately, the Soviet Union and its allies have not responded construc-

tively to recent Western initiatives that had sought to make substantial progress in these negotiations.

Last December 5, NATO introduced a major new MBFR initiative designed to bring East and West closer together on a number of issues. Most significantly, while reaffirming the importance of effective verification, the NATO participants set aside

their longstanding insistence that the sides come to an understanding on troop-level data in the area of reductions before an agreement is signed. This was a major concession to the East, which had often declared its readiness to move forward swiftly in the talks if only the so-called data barrier could be removed. Not only did the West decide to remove this barrier, it also adopted the East's own general approach—to negotiate a first-phase, time-limited agreement in which initial U.S. and U.S.S.R. reductions would be followed by a no-increase commitment in the area of reductions by all participating states. On these and a number of other points, the U.S. and its allies made every effort to come to an early accord in Vienna.

At the beginning of the round, there was reason to be optimistic. General Secretary Gorbachev had noted that, following the December 5 West initiative, an outline for agreement in Vienna was emerging. At the same time, Mr. Gorbachev and many Soviet

and East European spokesmen indicated that they shared with NATO an appreciation of the vital role of verification, including on-site inspection, in arms control. However, the Eastern participants have not reciprocated the West's move or given substance to the declarations of their leaders. Indeed, on February 20, the Warsaw Pact tabled a draft agreement which recycled old and unacceptable Eastern positions and which included an utterly inadequate verification regime.

NATO has made it clear to the Warsaw Pact that the East's actions during this negotiating round did not meet Western security requirements and that we await a response from the East as important as the step the West took in December. If the Soviet Union and its allies show the political will to match that of the West, then there is hope that the MBFR negotiations can result in an effective and fair agreement. The President has instructed the U.S. delegation to continue to work for such an outcome.

## **Designation of Rocco John Marano as Vice Chairman of the President's National Security Telecommunications Advisory Committee**

*March 20, 1986*

The President today announced his intention to designate Rocco John Marano to be Vice Chairman of the President's National Security Telecommunications Advisory Committee for a term of 1 year.

Mr. Marano has been president of Bell Communications Research, Inc., in Livingston, NJ, since January 1984. Previously he was vice president of central staff of AT&T

as well as president-designate of central services organization in 1982–1983. Mr. Marano has been with the Bell System since July 1953.

Mr. Marano graduated from Fordham University (B.S., 1953; LL.B., 1957). He is married, has four children, and resides in Chatham, NJ. He was born February 14, 1928, in Haverstraw, NY.

## Appointment of Two Members of the President's Commission on Executive Exchange

March 20, 1986

The President today announced his intention to appoint the following individuals to be members of the President's Commission on Executive Exchange for terms of 2 years. These are new positions.

*Jewel Lafontant* is senior partner in the law firm of Vedder, Price, Kaufman & Kammholz in Chicago, IL. She graduated from Oberlin College (B.A., 1943) and the University of Chicago

(J.D., 1946). She has one child and resides in Chicago, IL. She was born April 28, 1922, in Chicago, IL.

*Charles Glen Steele* is chairman and chief executive officer of Deloitte, Haskins & Sells in New York City. He graduated from Golden Gate University (B.B.A., 1951; M.B.A., 1962). He is married, has one child, and resides in Greenwich, CT. He was born July 24, 1925, in Faulkton, SD.

## Statement on Signing the Food Security Improvements Act of 1986

March 20, 1986

I have signed into law H.R. 1614, the Food Security Improvements Act of 1986. This legislation makes changes to several provisions contained in the Food Security Act of 1985, which I approved on December 23, 1985.

In signing the Food Security Act of 1985 into law, I indicated my administration's strong objections to several features contained in that legislation. One provision was the mandatory 3-year payment-in-kind export promotion program that requires the United States to give away \$2 billion worth of commodities to encourage American exports. I stated that "a program of this size and nature threatens to precipitate an agricultural commodity trade war with our allies; moreover, it may well be impossible to fulfill the \$2 billion goal over the next 3 years without subsidizing exports in a manner which will be contrary to the national security interests of the United

States." I am pleased to note that H.R. 1614 reduces this program from \$2 billion over the next 3 years to \$1 billion. This reduction will allow the United States to encourage export promotion without threatening our trade policy or our national security. I am also pleased to note that the Congress has revised language that had been adopted earlier relating to so-called advance recourse loans to make clear that this program is completely discretionary. The program is ill-advised and unnecessary, and my administration will not use its discretion to implement it.

Although this legislation does not correct all of the deficiencies contained in the Food Security Act of 1985, it nonetheless represents some improvement, and for that reason I have signed it into law.

*Note: H.R. 1614, approved March 20, was assigned Public Law No. 99-260.*

## Proclamation 5449—National Agriculture Day, 1986 March 20, 1986

*By the President of the United States  
of America*

### *A Proclamation*

For more than a century, American agriculture has led the world in the development and use of technological advances that raise our standard of living. In fact, the production of food and fiber is our largest and most basic industry.

Our farms, ranches, orchards, vineyards, and nurseries; the businesses that supply them; and those who transform and transport their raw commodities or sell the final products, provide us with the world's most abundant and varied supply of food and clothing. American agriculture also helps feed tens of millions of people in other countries. Moreover, the activities of the 23 million Americans employed in agriculture generate one-fifth of our gross national product and one-fifth of our Nation's jobs.

Maintaining such production—nearly one-twelfth of the world's output of major agriculture commodities—requires careful stewardship of natural resources and capital, flexibility in responding to the vagaries of weather and the vicissitudes of the international marketplace, unparalleled mastery of many skills, and the continuous support of

research institutions.

To honor the immense and varied contributions made to our economy and our national life by the men and women working in American agriculture, and to foster a greater understanding of the importance of this sector of our economy, the Congress of the United States, by Public Law 99-207 approved December 23, 1985, has designated March 20, 1986, as "National Agriculture Day" and authorized and requested the President to issue a proclamation in observance of this occasion.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim March 20, 1986, as National Agriculture Day, and I call upon the people of the United States to observe this day with appropriate ceremonies and activities.*

*In Witness Whereof, I have hereunto set my hand this 20th day of March, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:56 a.m., March 21, 1986]*

## Statement on House of Representatives Disapproval of United States Assistance for the Nicaraguan Democratic Resistance March 20, 1986

Today's vote in the House of Representatives was a dark day for freedom. This vote must be reversed. The Soviet Union cannot be permitted to enjoy the luxury of knowing that, once captured, a country will be relegated forever to the Communist camp. We declare our unwavering support for freedom and for peace-loving people struggling to overcome Communist tyranny.

Those Democrats and Republicans who stood with the forces of freedom have the

Nation's profound gratitude and my own. But you have more. You have my solemn determination to come back, again and again, until this battle is won, until freedom is given the chance it deserves in Nicaragua. Tomorrow, I will begin to press in the Senate, and then back again in the House, for the real and effective assistance for Nicaragua's freedom fighters, which was denied them today and which those brave men and women deserve. The American

people have begun to awaken to the danger emerging on their doorstep. And one day, in the not too distant future, that awareness will come home to the House of Representatives. We are gaining ground; we are winning converts. The next battle will bring us the victory this just and good cause rightly deserves.

Finally, I have some special words today for the freedom fighters. The events of today and those that will take place over the next week are preparation for the day when democracy returns to Nicaragua. A chance to realize that, while democratic peoples are sometimes slow to wake to imminent danger, when they do awaken their

commitment to freedom and their resolve for victory is unshakable. So, to the freedom fighters of Nicaragua I say: Have faith; have hope. The American people are just now awakening to the justice of your cause, just now realizing that your struggle is their struggle. Soon, with our support, your courage will ensure the triumph of your cause, our cause, and all of humanity's cause—the cause of freedom.

*Note: Larry M. Speakes, Principal Deputy Press Secretary to the President, read the President's statement to reporters at 4:10 p.m. in the Briefing Room at the White House.*

## Remarks at a White House Reception for Private Sector Supporters of United States Assistance for the Nicaraguan Democratic Resistance

March 21, 1986

*The President.* Well, thank you very much for a very heartwarming welcome. And I want you to know I'm an honorary member [of the *contras*]. For those of you who are too far, I'm sure you're familiar with it. "If you like Cuba, you'll love Nicaragua." [Laughter]

Well, thank you, and welcome you to the White House. And I want to express my personal thanks and the gratitude of the American people for the hard work and dedication that you are all giving this freedom struggle. Perhaps never before on a foreign policy issue have we seen such a broad-based coalition. In the audience today, we have Christians and Jews, veterans and businessmen, ethnic and minority groups. You've all come together in a noble cause. Unfortunately for America, that cause, the cause of freedom and hope and democracy, suffered a temporary setback yesterday in the House of Representatives. I underline "temporary." History will record yesterday's vote as wrong, tragically wrong. But let me assure these brave men here today —[*contra* leaders] Adolpho Calero, Alfonso Robelo, Arturo Cruz—America will not desert you and your courageous strug-

gle to expel Communist tyranny from the American mainland.

You know, to paraphrase another famous freedom fighter, John Paul Jones: We have not yet begun to fight. You know, I don't mean to be kind of sacrilegious about things like this, but there was a joke that was born in recent years out of that line of John Paul Jones' in the American Revolution. And it kind of fits what happened with some people yesterday. The joke has it that when he said this, the deck of his ship was covered with dead sailors and—or wounded and dead sailors and marines. And when he said that, one of the wounded raised up on his elbow and says, "There's always one character that didn't get the message." [Laughter]

Well, the Senate will be voting on our aid package—or aid package—[laughter]—in a few days. That first word kind of sticks with me. [Laughter] And we intend to bring this back to the House as many times as it takes to win. And we will win. But time is of the essence. Every day that passes, the freedom fighters of Nicaragua

are left to face Soviet helicopter gunships with hand-held rifles. How can we allow that to continue? If this vote is not quickly reversed, we will be sending a message to the world that the United States of America won't lift a finger for freedom, that we care less about defending democracy than the Soviet Union cares about destroying it. We'll be giving a green light to Soviet expansionism on the American mainland and inviting the worldwide terrorist network to set up shop on our own continent.

Well, Qadhafi has boasted of his intention to fight America, quote, "at its doorstep." Well, the Nicaraguan Communists have threatened to carry their revolution into the United States itself. The Soviet Union is pouring billions of dollars into Latin America with one purpose: to subvert the democracies of Central America and ring the United States with a noose of hostile, Communist states. Soon, it will be too late for excuses.

The question now is: Will we reverse this tragic course before it is too late? Will we support freedom while the price is still not too high and the risks are still not too great? And the answer will be, and the answer must be, yes. There's simply no more important foreign policy question before the United States Congress today. We cannot give up. We will never give up. The Communists are pressing their offensive against the freedom fighters along the Honduran border. No doubt they'll be emboldened by

yesterday's vote in the House and will try to seriously damage the freedom fighters before aid can arrive. And we can't let that happen. We can't let the final hope of freedom in Nicaragua be extinguished while Congress slowly makes up its mind to do the right thing.

Alfonso, Adolpho, and Arturo, would you kind of come up here and stand by my side? I want to tell you something: We're in this together. The future of Central America is not with communism; the future of Central America is with democracy and all those who are fighting for freedom. You are the future of Central America. Today I give you my solemn pledge: I will not rest until freedom is given a fighting chance in Nicaragua. We'll spare no effort and give no ground in supporting the democratic resistance in Nicaragua. Until these men are successful in their freedom struggle, there'll be no peace in Central America, and there will be no peace in our souls.

So, I thank you all again so much from the bottom of my heart for all that you have done, and I know that you will continue to be doing this and with us in these weeks ahead. So, God bless you all.

*Contra leaders.* Viva Reagan! Viva Reagan! Viva Reagan!

*Note: The President spoke at 2:17 p.m. in the East Room at the White House. In his opening remarks, the President held up a button that said, "If you like Cuba, you'll love Nicaragua."*

## Proclamation 5450—Afghanistan Day, 1986

March 21, 1986

*By the President of the United States  
of America*

### *A Proclamation*

The people of Afghanistan celebrate March 21 as the beginning of their new year. In ordinary times, it is an occasion of joy, renewal, and hope for a better future. March 21, 1986, however, does not mark the passage of an ordinary year, nor does it bring cause to celebrate. For the heroic

Afghan people it marks the beginning of yet another year in their struggle for national liberation against the ruthless Soviet military force that seeks to conquer them.

Over six years ago, on December 27, 1979, the Soviet army invaded Afghanistan, a small, friendly, nonaligned, and deeply religious neighbor. For six long years, the Soviets have sought to obliterate Afghan culture and remold that ancient nation into a

replica of their own system, causing millions of Afghan refugees to flee the country. To achieve their goals, the Soviets installed the quisling regime of Babrak Karmal, in which Soviet advisors now man the key positions. They have transported thousands of young Afghans to the Soviet Union for reeducation in summer camps, universities, and specialized institutions, and they have set up a secret police apparatus matched in brutality only by their own KGB.

These tactics hardly begin to describe the continuing horror of the Soviet attempt to subjugate Afghanistan, a violation of international law repeatedly condemned by the United Nations. Despite calculated destruction of crops, irrigation systems, and livestock, indiscriminate air and artillery bombardments of civilian areas, brutal reprisals against noncombatants, and other unspeakable atrocities, the Afghan people remain determined to defend their liberty. The resistance has in fact become more effective than ever.

The Soviet failure to quell the Afghan people is not surprising. The Afghans have a long history of resisting invasion and of defending their homes, their faith, and their culture. Since December 1979, resistance fighters have acquitted themselves well in many engagements against larger and better armed Soviet forces. The Afghan freedom fighters have shown they can render all of their country unsafe for the invader. After six years of hard, bloody fighting, the Soviets are far from achieving their military goals.

Recently the Afghan resistance has taken major steps toward achieving unity and making its presence felt on the international scene, strengthening its ability to publicize the Afghan cause. We welcome these developments. With the support of the community of civilized nations, the Afghan resistance has also increased its efforts to aid civilians remaining inside Afghanistan.

This will improve the Afghan people's ability to carry on the fight and counter the deliberate Soviet attempt to drive the civilian population away from resistance-controlled areas.

Throughout the period of their brutal occupation, the Soviets have tried—but failed—to divide the international supporters of the cause of Afghan freedom. They cannot be divided. The overwhelming votes in the United Nations General Assembly, year after year, are but one expression of the ongoing commitment of the world community to this cause. For our part we reaffirm our commitment to support this just struggle until the Soviets withdraw; until the people of Afghanistan regain their liberties, their independence, and the right to self-determination; and until the refugees can return in safety to their native land. Only such a settlement can command the support of the Afghan people; a settlement that does not command their support will not end this war.

Today, we pay tribute to the brave men, women, and children of Afghanistan and remind them that their sacrifice is not and will not be forgotten.

The Congress, by Senate Joint Resolution 272, has authorized and requested the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day."

Now, *Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim March 21, 1986, as Afghanistan Day.

*In Witness Whereof*, I have hereunto set my hand this twenty-first day of March, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:49 a.m., March 24, 1986]*

## Proclamation 5451—National Energy Education Day, 1986 March 21, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Abundant, readily available, reliable supplies of energy at reasonable prices have fueled industrial growth in the United States since our country began. A continued supply of such energy is essential to the Nation's future security and to the well-being of our citizens. But the apparent abundance that we enjoy today should not tempt us to a dangerous complacency.

The nature of current energy supplies and the need to provide energy to meet the needs of an expanding economy require us to pursue an enlightened energy policy supported by an informed electorate. Energy education programs in our Nation's schools help to equip future generations of Americans to make wise choices that will shape our economic destiny for years to come.

National Energy Education Day helps bring into focus the energy needs of our Nation and our local communities. It prompts teachers, students, school officials, and private citizens to work together to alert the next generation of Americans to their opportunities and responsibilities. It is

appropriate that all Americans, and particularly our educators, take steps to recognize the importance of maintaining and developing adequate sources of energy far into the future.

The Congress, by Senate Joint Resolution 205, has designated Friday, March 21, 1986, as "National Energy Education Day" and authorized and requested the President to issue a proclamation in observance of this occasion.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Friday, March 21, 1986, as National Energy Education Day, and I call upon the people of the United States to observe this day with appropriate programs and activities to promote energy education programs in America's schools.*

*In Witness Whereof, I have hereunto set my hand this 21st day of March, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:50 a.m., March 24, 1986]*

## Radio Address to the Nation on United States Assistance for the Nicaraguan Democratic Resistance March 22, 1986

*My fellow Americans:*

Last Thursday the House of Representatives voted on a proposal to send aid to the freedom fighters of Nicaragua, the men and women struggling against the Communists who control their country. This proposal was designed to protect our own southern borders and give the freedom fighters the chance to reclaim their nation for liberty. It would've required no new money whatsoever, but would simply have used funds already approved by Congress for defense. By

a margin of 12, the House voted no.

Every day that this vote is permitted to stand, every day that freedom fighters are left defenseless against Soviet helicopter gunships, more lives will be lost, and the dangers will grow from this Soviet beachhead on our continent. Already the Soviets have armed Nicaragua with tanks, anti-aircraft missiles, and helicopter gunships. So-called advisers from the Soviet Union, East Germany, and Cuba swarm Nicaragua in the thousands and have helped the Nicara-



guan Communists to build an army and militia of 120,000—by far the biggest armed force that Central America has ever seen.

But that is not all. The Sandinistas have openly admitted that they intend to spread their Communist revolution throughout Latin America. But the Nicaraguan freedom fighters have handed the Communists a setback. Although outnumbered and under-equipped, the freedom fighters have pinned down thousands of Sandinista troops and countless military assets. With their blood and courage, they have bought the people of other Central American nations the precious time they need to strengthen their democracies. And, in helping to thwart the aggressive designs of the Nicaraguan Communists and their Soviet-bloc accomplices, they have directly contributed to the safety of the United States and the American people. We owe the freedom fighters a vote of thanks, not a vote of no confidence. I cannot accept the House action as final, for I cannot believe that it reflects the informed and considered will of the American people.

Next week the effort to provide aid to the freedom fighters will move to the Senate. Our proposal, as it now stands, including its provision to give the freedom fighters defensive weapons immediately, represents the absolute minimum of assistance to which I can agree. Any less would be too little, any further delay would be too late. We speak not of a game in which one side can call "time out" to consider its options; we speak of a life and death struggle for liberty. The Soviet gunships will not halt their operations while we debate. The House vote must be reversed, and soon. I urge the Senate to vote on the aid program promptly and the House to take the matter up once again as its next item of business.

Some of our critics insist that even the minimal assistance we're requesting is too much, and negotiations alone are the answer. Well, I must remind them that the Sandinista Communists have already concluded negotiations—in 1979 with the Organization of American States. In that

agreement, the Communists promised to conduct a peaceful, nonaligned foreign policy and to hold free elections. They have done neither.

I must remind our critics that our administration has pursued active diplomacy, holding 10 high-level meetings with the Sandinista regime. Always, the Communists have refused serious negotiations. I must further remind our critics that promising diplomatic proposals were on the table when Thursday's damaging House vote took place. President Duarte of El Salvador and his Central American colleagues had proposed that a dialog take place simultaneously between the freedom fighters and the Nicaraguan Communists, between the Salvadoran Government and its Communist opponents, and between the Nicaraguan Communists and the United States. We support this initiative, but the Nicaraguan Communists have refused to take part.

So, I would say to our critics: Join me in providing all the resources necessary—and that means military aid to the freedom fighters—to bring the Nicaraguan Communists to the table and to make them honor the international promise they have already made to the Organization of American States. The Communists, themselves, have shown again and again that diplomacy alone is not enough. As your President, I cannot leave my successor, I cannot leave our children, to face grave dangers and agonizing decisions that with a minimum of foresight and courage could've been averted. The freedom fighters have done much; they ask little. Let us act to help them together, Democrats and Republicans, and let us act now. Then we can get on with the business of lending a hand to our neighbors as they attack poverty and create economic opportunity for their people.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.*

## Interview With R.W. Apple, Jr., Gerald M. Boyd, and Bernard Weinraub of the New York Times March 21, 1986

### *The Philippines*

*Q.* Thanks very much for seeing us. We appreciate that. We're going to ask several foreign policy questions, and domestic also. I thought we would, possibly, start with the Philippines and that whole area. Sir, several administration officials were quoted as saying that they were disgusted at what they found in Mr. Marcos' luggage when he came to Hawaii. Do you share their surprise about the scale of his overall corruption when he was leader of the Philippines?

*The President.* Well, I'll tell you, I'm not going to comment on that. I think here, now, we're talking about something that is—there are legalities involved. And I think, rather than comment on that, our interest is in continuing our historic friendship with the Philippines. And I'm going to let the law and justice take its course, and we'll abide by the laws. But also, that will involve not just hearsay and gossip and so forth but a determination of what's actually happened. I'll wait for that.

*Q.* Do you think he should escape prosecution by courts in the U.S.?

*The President.* I've said that I think the laws of not only our nation but the Philippine Government and international law, or the laws of whatever country he may go to, should be observed.

*Q.* With no intervention?

*The President.* No.

*Q.* Or special treatment?

*The President.* That's right.

*Q.* So you think he should be, in a sense, prosecuted by, if anything—

*The President.* If and when. So, as I say, I'll let the law take its course.

*Q.* One more question on the Philippines, sir. You said that you wanted to give Mrs. Aquino time to form a new government and create a cabinet and get things rolling. Why have you waited so long and not personally called her?

*The President.* I don't think there's been any occasion to, and I don't think that we can say that she's through with the process

or the business of getting her government underway and going. And we've maintained contact with her through our Ambassador and others. She's still organizing a government. No need to.

*Q.* Would you like to meet with her, sir, at some point?

*The President.* If that will improve or continue or help to continue the relations we've always had, fine, I'll do whatever—

*Q.* Any prospect of that on your Asian trip?

*The President.* No, because there we're going to Indonesia, and I'm going to meet with the ASEAN leaders. It's a meeting that was once scheduled and put off. There will be a representative of the Philippine Government as a part of that meeting.

*Q.* But not she herself?

*The President.* No, not to my knowledge.

### *Soviet-U.S. Relations*

*Q.* Sir, on U.S.-Soviet relations, Mr. Gorbachev pledged to you in Geneva last November that he wanted to have a summit, and now he's been seemingly sounding like he really is not interested in it. Do you feel personally deceived?

*The President.* No, because I don't feel that any decision has been made. There was one government official—not the General Secretary—who discussed with some of our people the possibility of a different date than the June date we'd originally suggested. But that is not formal; there hasn't been—a formal objection to it. And so far, I'm going to continue to operate that we're waiting to hear from them as to—we've extended to, say, June, July. They had suggested possibly later in the fall, and we've called attention to the election that will be going on here and that that will be difficult for us to—

*Q.* Late November?

*The President.* I did, the other day, say to someone that we'll possibly, if it went beyond, then, the election and before the end of the year, I don't think that—I'd

prefer not to wait that long. That, then, makes it a long time since the previous summit. And I'm still hopeful that it will wind up June or July.

*Q.* I've got a little broader, sort of more philosophical question, Mr. President. You have a little bit more than 2 years left in your Presidency now, and I know you had wanted to leave a legacy of peace. Are you concerned, in some form, that the time is running out to reach a major breakthrough with the Soviet Union in the peace area?

*The President.* No, I don't think time is running out to that extent of it being a—you might say a kind of do-or-die moment here. And I guess I'm not surprised that the negotiations haven't been faster than they've been, because if you look back at the pattern of such negotiations with the Soviets, there never has been any speed in those negotiations.

*Q.* But other Presidents, it seems, have been able to achieve some kind of breakthrough into arms control or some area that they could say really tried to alleviate tensions. You haven't so far.

*The President.* No, that's right, because of one fundamental difference. The other discussions and the other agreements that have been made and proposed have all had to do with the rate of increase in weaponry. And I said back when I was campaigning that I'd stay at a table as long as it took to see if we couldn't get a reduction in the numbers of weapons. And this has never before been discussed with them. And the very fact that they have made proposals themselves calling for reductions is something new and, I think, something that gives us cause for optimism. Under those other agreements, the effect of some of them—granted that they may have held down the rate of increase—but take from the time of the agreement of SALT II, they've added about 6,000 warheads in that time. Maybe you can call it arms control in one way, but it certainly isn't arms reduction. And arms reduction is what we need.

*Q.* You sound like you're hopeful on U.S.-Soviet relations?

*The President.* Yes, because I think that they've got some practical benefits to get from them themselves.

### 1986 Congressional Elections

*Q.* Mr. President, I wonder whether I might turn you temporarily toward domestic politics; this is an election year. First, may I ask about realignment, which has been a theme you've followed for a long time, partisan realignment. Do you think that Republican victory in the Senate this year is an essential to getting the kind of partisan realignment that you want? In other words, would Republican loss of the Senate set the cause back a great deal?

*The President.* Well, it would be a setback. Then there'd be another election for other Senators in 2 more years. I have to say that I would hate to see the loss of the Senate, because I don't believe that we could have achieved the things economically and in other fields that we have achieved if we did not have one House of the Legislature.

*Q.* To what degree do you intend to involve yourself directly in individual campaigns where Republican candidates are hard-pressed in the next few months?

*The President.* I'm going to do everything I can on behalf of our candidates and everything that I'm asked to do.

*Q.* Travel? Speak?

*The President.* Yes.

*Q.* If the Republicans were to lose control of the Senate, in what specific areas do you think you would encounter the most trouble? Where would that limit you the most in the rest of your term?

*The President.* Oh, that would be hard to speculate on. It would depend on who was gone and who was still here. We've had, if you've noticed, in the very beginning—even though we have a majority control of the Senate, most of the major issues have found a bipartisan vote in there, with us losing some of our own Republicans to the other side, but with them, in turn, losing some to us. And that, I think, is a part of the democratic process. The main thing with having the majority, however, is that that gives you the majority and the chairmanship of the committees.

*Q.* The right to control the agenda to a degree?

*The President.* Yes. I remember back in California I only had for one brief period—a

year or so—a bare majority in both houses of the legislature. But to show you what that difference meant, in that single year, after we attained that bare majority, we passed 41 anticrime bills. All of them had been buried in a committee operated and controlled by the majority until that change where we became the majority; they weren't new bills at all. And strangely enough, those 41 bills that had been lying buried in those committees, once they were brought out in the open on the floor, there weren't very many people that dared to vote against them.

### *Gun Control*

*Q.* Sir, could I change the subject to the issue of gun control? You, yourself, were seriously wounded, tragically, in that event as well as your Press Secretary, Jim Brady. In light of your own experience, in light of the opposition of various police groups as well as Mrs. Brady to this legislation that's now up on the Hill on gun control, why do you support virtually no limits on gun control at this point?

*The President.* Well, I don't think that it is a no-limit thing, but I'd like to point something out. Yes, I was shot here in the District of Columbia, where the gun control laws are probably as strict as they are anywhere in the United States, where everything about the possession of that gun and having it on his person was against the law. If you will check those States, such as New York, with all the great gun control laws that they have—check the use of guns in crime in those States against States like some Western States like in Arizona, where there is very little of what we would think is control.

*Q.* But which is cause and which is effect?

*The President.* The point that I think is made is that as long as there are guns, the individual that wants a gun for a crime is going to have one and going to get it. The only person who's going to be penalized and have difficulty is the law-abiding citizen, who then cannot have—if he wants the protection of a weapon in his home—for home protection. What I think is—rather than gun control of this kind, when I was Governor we passed a law in California that I think is the most effective kind. It con-

trolled—or made more costly—wrong people having guns, criminals in using them. We passed a law there that said that if an individual is convicted of a crime, such as burglary or anything, and had in his or her possession a gun at the time the crime was committed, whether that gun was used or not, add 5 to 15 years to the prison sentence if found guilty.

Now, if you remember back in England some years ago—lately there's been some talk that now we see the English bobbies having guns and all. What has changed? Well, back in another day when they didn't carry guns in England, in the old times, the carrying of a gun in the commission of a crime, you were tried not for the crime that you'd committed; you were tried for murder. It was considered that you had shown the intent to use that weapon by carrying it in the commission of the crime. And therefore, a fellow that was only a burglar said, "Wait a minute. I don't want to get threatened with hanging if I'm caught with a gun in my pocket." So the criminals didn't carry guns, and the police didn't have to carry guns.

### *Space Program*

*Q.* Mr. President, on another matter, on the shuttle. The shuttle disaster really shocked all of us. But the Soviet Union and some other countries have been moving forward with their space programs. The United States is essentially grounded right now. What do you plan to do to get us back into the space business?

*The President.* Well, first of all, I think we must go forward until we know exactly what caused this so that there will not be a repeat of it.

*Q.* Let's not go forward?

*The President.* Yes. We want to be able to assure those ladies and gentlemen who go up there as astronauts that every provision has been made for their protection and safety, which all of us, more or less, had assumed was true before. But once that's straightened out, then I believe we must go forward with the program. And I think, Jerry, you'll find it was interesting that my first calls to the bereaved families—every one of them said to me: "Please, don't let

this program be stopped by this. The program must go forward."

*Q.* But other countries are already going ahead?

*The President.* Yes.

*Q.* Are you concerned that the U.S. is losing ground at this point?

*The President.* I don't think the period involved here is going to—they were going ahead anyway. And what's wrong with the exploration of space by others? There's been a great cooperation, you know. We've had their people come and go up with ours so that they would have some experience in this field.

#### *Aid for the Nicaraguan Contras*

*Q.* Time to talk about the *contras*, I guess. You lost yesterday. You said you were going to keep fighting. My first question is: How do you intend to keep fighting beyond the Senate, and what are the prospects in the Senate? What are you going to do after it passes the Senate, if it does, in other words?

*The President.* Well, first of all, my loss was only the loss of a vote. The people who really lost were the people of Nicaragua, who I think have a sacred right to struggle for freedom. And, yes, I feel badly about this, and I think the outcome was a mistake. But I do know that they have admitted—the House, itself—in fact, the leadership told their own people that there would be another chance to vote on this after the Easter vacation when they came back, that there would be another vote. The Senate is dealing with it now. We've been discussing with the Senate leadership here what they're going to do. And this coming week, they're going to have their vote. Now the Senate votes this. When the House comes back, that Senate bill that has been voted will go to the House. And once again, we'll make an all-out effort to get this passed.

*Q.* Do you mean that you expect the same bill to go back to the House to be voted on again? You don't expect to have to make any modifications?

*The President.* We've been discussing with the Senate something we didn't have time to do on this one, and that is my proposed Executive order—

*Q.* Being included in—

*The President.* —that I would be willing

to see that included as legislation.

*Q.* But with that exception, you expect essentially the same proposal to go back? You don't feel that you'll have to change the proposal to get it through the House?

*The President.* There may be minor changes. I don't know just what's on the Senate's mind; they haven't passed their bill yet. But it would have the general format of what we did, yes.

*Q.* The whole \$100 million still?

*The President.* What?

*Q.* The whole \$100 million?

*The President.* Yes, yes. And you know, there were many ramifications about the— or restrictions about the use of that. I do know that there were people in the House vote—from my own contact with them—who expressed a wish that my Executive order was legislation. So, that might be enough to change—

*Q.* Do you think that that more or less technical change would be enough to get—

*The President.* Well, just by contact that I had with some individuals and knowing that they voted against this, but things that they'd said in our discussion leads me to believe that some of them will change.

*Q.* Would you be willing to make any change on the \$100 million package or on the timing or on anything else in order to assure House approval the second time around?

*The President.* I don't think that I should suggest anything of the kind now. This was a very close vote, and I know that there were individuals in there who did not feel sure about their position and the way they voted. There were many people that had some minor thing that they thought could enable them to vote the other way and—

*Q.* Before there is another House vote, Mr. President, do you have any intention of talking with the Democratic leadership or with others to try to smooth the way a bit for the second go?

*The President.* Well, it's too soon, I think, for us to come up with a new strategy on this.

*Q.* Well, let me ask you just one quick question on the old strategy. Some people speaking with the usual anonymity on your

own staff, some people—Republicans included in Congress speaking without anonymity—said after the vote yesterday that the rhetoric had been too hot from the White House—mentioned Mr. Buchanan in particular—and criticized it and said that hurt. Do you agree with that?

*The President.* I don't think that the rhetoric was. I think the rhetoric was played and reported and indeed that the media added in its interpretation of the rhetoric, and it was not fairly portrayed. But I feel very strongly, and I think all of us do, and all that we're pointing out is that every bit of proof and evidence that can be asked for is there that Nicaragua is literally already a satellite of the Communist bloc, and its goal is the continued expansionism of communism worldwide. And—

*Q.* I think what some of these people whom I was quoting meant was that a lot of Members of Congress, a significant number of Members of Congress, given the closeness of the vote, felt that their patriotism had been impugned.

*The President.* And it hadn't. It hadn't. No one's motive was impugned at all. There were efforts to point out that the clear issue here was one of attempting to halt the establishment of a Communist-bloc base in the Americas, with all that that portended, and, on the other hand, to permit the going forward of such a Communist, expansionist move. In other words, this wasn't, as some tried to portray it, this wasn't the usual legislative battle of both having a same goal but differing on the way to reach it. Here were the two goals, and they were separate. And we were trying to call attention to this fact.

*Q.* What were the goals—

*The President.* I think that it was—

*Q.* —of the Democrats?

*The President.* I think the—I'll have to tell you, if you talk about shrill rhetoric. I listened on C-SPAN [Cable Satellite Public Affairs Network] to a portion of the debate on the floor and some, not all—I'm not impugning motives at all—but some of the opponents of our program engaged in some of the most scurrilous, personal attacks against me, for example, the most dishonest use of distortions and outright falsehoods that I have heard in a legislative debate.

*Q.* Why do you think that was done?

*The President.* I guess they were very hungry for victory. But—

*Q.* You said there were two separate goals, Mr. President, in this debate as opposed to the usual pattern—

*The President.* No—results.

*Q.* —of different means to reach the same goals.

*The President.* No—but results, two different results. To vote one way was to continue to fight against the creation or the continuation of this Communist government. To vote against that was, in effect, to simply say that there it was and we weren't going to do anything about it except sit back and keep asking them to change.

*Q.* Did—

*Q.* Well, what's the motivation for that, as you see it? Why would somebody say it's all right to have a Communist government in Central America and we can't do anything about it anyway? Why would somebody do that?

*The President.* I think all of the specious arguments that were used against us—that this was only a forerunner to my desire to put troops in there. You're looking at an individual that is the last one in the world that would ever want to put American troops into Latin America, because the memory of the Great Colossus of the North is so widespread in Latin America, we'd lose all our friends if we did anything of that kind. And we haven't been asked. What we've been asked for—for people down there who want to try for democracy, who need the tools with which to do the job.

*Q.* Did these legislators, Congressmen, do you think exceed the boundaries of fairness in their debate?

*The President.* Yes. And, remember, I'm only talking about several—

*Q.* Yes.

*The President.* —in there. There are others—

*Q.* Do you care to name names?

*The President.* What?

*Q.* Would you care to name names?

*The President.* No, I'm not going to name their names.

*Q.* Would you care to exclude any—

*The President.* Why don't you rerun the tape?

*Q.* But they did, in your mind, exceed the boundaries of fairness?

*The President.* Yes.

*Q.* Do you think they'll continue, sir?

*The President.* What?

*Q.* I mean, you think as the debate continues, that—

*The President.* Well, they feel so strongly, maybe they will when it comes up again—they'll do the same thing. All right. But, again, the flat declaration that I was going to open a war involving the United States, their flat declaration that the things that I had said about the situation in Nicaragua were lies—they weren't true.

Well, there is one thing about this job—and even with all regard to the information available to a legislature—the President does have access to all the information there is. Now, unfortunately, some of that information cannot be—or the proof of it cannot be used because it would compromise sources; it would endanger other individuals; and it would render impossible further use of intelligence sources.

*Q.* I haven't seen you steamed up about anything in a long time as you are on this issue.

*The President.* Well, the subject came up about shrill rhetoric, and I just thought so far they've only been pointing the finger in one direction, and frankly I think in the wrong direction.

#### *Persian Gulf*

*Q.* Mr. President, another area. Iran has been having recently some successes on the battlefield in its war against Iraq. Are you concerned that Kuwait or Saudi Arabia might now be in jeopardy by Iran?

*The President.* Oh, I think we have to be concerned about that. You know that earlier on it's been fairly quiet for a time now. And because of actions taken by the Saudis and others to show that they were willing to defend themselves—but, yes, the potential for throwing a match in the powder box is there in the Middle East, and I believe Saudi Arabia has been largely responsible for helping continued stability there in the gulf.

*Q.* Are they threatened, do you think, by

this kind of—would Saudi Arabia be threatened by this—

*The President.* Well, as you recall, earlier there were some attacks on some ships in their waters and so forth and there were forays into their airspace that made them then establish a patrol and to chase other planes out of their airspace.

#### *Homosexual Rights*

*Q.* Mr. President, can I ask you a New York question? New York City, after considerable debate and controversy, has just approved a bill banning discrimination in housing and jobs for homosexuals. What is your position on that?

*The President.* Well, I know that this is a very touchy question, and I am one who believes in the rights of the individual—individual freedom. But I do have to question sometimes whether individual rights are being defended in this particular field, freedom of the individual, or whether they are demanding an acceptance of their particular lifestyle that others of us don't demand. For example, should a teacher in a classroom be invoking their personal habits and advocating them to their students as a way of life?

*Q.* Yes.

*The President.* Teachers habitually don't do that. Their personal life—

*Q.* But this bill, I don't think really covers that. It basically guarantees to homosexuals equal treatment in hiring policies and gaining housing, these sorts of things. Essentially applies the same antidiscriminatory measures as are applied to blacks, as to women, to other people. Do you think that's all right?

*The President.* Well, I've said—but again, I haven't actually involved myself in what this law contains up there, so I don't know what I'm speaking of. But what I'm saying is that how would we feel if a teacher, male or female, a heterosexual, insisted on the right in the classroom to discuss their sexual preferences and why and whether they believed in complete promiscuity or not? We would be quite offended and think that our children should not be exposed to that. Well—

*Q.* Tax increases, Mr. President.

Q. One minute, would you vote against it, do you think?

*The President.* What?

Q. If you were a member of the city council, would you have—

*The President.* I'd have to see what the bill—

Q. Okay.

Q. Just one quick question on tax increase—

*The President.* —what the bill was. I don't want them discriminated against simply on that basis as to housing and jobs and so forth. I, on the other hand, don't want to give them—

Q. Taxes.

*The President.* —privileges beyond what the rest of us have.

#### *Taxes/President's Gaffes*

Q. This is the last question, so I'll make it a double question. Tax increases—you've got Senate Republicans coming out for a tax increase. Do you have problems with that? And we would like to give you a chance to respond to Jimmy Carter who said some not too favorable things about you in a recent interview with the New York Times. He said you distort things; you exaggerate.

*The President.* Well, the first thing about the tax thing, I've made it plain. I not only do not believe that a tax increase is needed, I believe it is counterproductive, and it could threaten our economic recovery. And therefore, I am going to oppose a tax increase. Now, we have some revenue increases in our own budget plan, but they are increases not in the amount of revenue we're going to get—that stays revenue neutral. But they are increases in fees, for example, that will be paid in return for certain services that presently are being paid for by all the taxpayers. We think it is only fair to do this. We also have in there some sales of assets that we believe the Government would do well to get out of certain ownerships and businesses it's in. But the total revenue remains neutral because those increases are offset by loopholes and so forth—things that we close.

Now, I'm afraid I'm not too familiar with—can you be specific? What are one or two of the things that he might have said?

Q. Well, he said that you have a habit of

saying things.

*Mr. Speakes.* You have to talk fast because you've got folks waiting for you.

*The President.* Yes.

Q. Okay, he said that you have a habit of saying things that you know are not true, basically.

*The President.* Well, maybe he's just been too much victimized by that tendency of the media for a time to accuse me of gaffes and that I am guilty of saying things that aren't true. Do you want to know something about that?

Q. Yes.

*The President.* Anyone, of course, if you're talking figures or something, you're apt to misspeak, say something. And I'm, I suppose, as guilty as anyone of that. But most of the things they've called gaffes—a great majority of them—I have been able to document that I am right and they are wrong.

And one day there was a press conference in which, after it—I didn't know that you fellows all talked to each other so much—but every story of the press conference came out with six, all the same and six in order, grievous errors that I had made. I can document—but everybody told me I'd be sounding defensive if I made it public—I can document that I was correct in five of the six; and in the sixth, it was kind of a tossup because I had made a reference to the marriage tax penalty and that in our tax program, I used the word "eliminate." Well, "eliminate"—yes, when the tax program was fully implemented—was correct. But at that point, I should have said "reduced" because it was phased in—what we had done, as so many elements of that tax program were.

Q. So, you don't think you lie all the time? [Laughter]

*The President.* No. So, I don't have a habit of saying things that aren't true.

Q. Thank you.

*The President.* Why didn't he just accuse me of lying? [Laughter]

#### *California Senate Race*

Q. What do you hear from home about the chances of beating Cranston? Anything?

*The President.* I understand from all re-



ports that he is probably as vulnerable as any Senate candidate. Now, our problem is you've got virtually a football team of candidates against him. How this is going to react in—

*Q.* Sort out.

*The President.* —sorting it out and getting it out—

*Mr. Speakes.* Don't forget, you're still on the record here.

*The President.* That's all right. I think I—  
[laughter]—he is vulnerable.

*Q.* You can trust us. [Laughter]

*Q.* Okay. Thank you very much.

*Note: The interview began at 11:40 a.m. in the Oval Office at the White House. Larry M. Speakes was Principal Deputy Press Secretary to the President, and Patrick J. Buchanan was Assistant to the President and Director of Communications. The transcript of the interview was released by the Office of the Press Secretary on March 23.*

## Nomination of Lynne Vincent Cheney To Be Chairperson of the National Endowment for the Humanities

*March 24, 1986*

The President today announced his intention to nominate Lynne Vincent Cheney to be Chairperson of the National Endowment for the Humanities, National Foundation on the Arts and the Humanities, for a term of 4 years. She would succeed William J. Bennett.

Dr. Cheney is currently serving as a senior editor of the Washingtonian magazine. Previously, she was assistant professorial lecturer at the University of Wyoming in 1977–1978; assistant professorial lecturer at George Washington University in 1972–1977; and a lecturer at Northern Virginia

Community College in 1968–1971. She serves as a member of the Commission on the Bicentennial of the Constitution. She is the author of two novels and numerous articles appearing in publications including Smithsonian, American Heritage, and America.

Dr. Cheney graduated from Colorado College (B.A., 1962), the University of Colorado (M.A., 1964), and the University of Wisconsin (Ph.D., 1970). She is married, has two children, and resides in McLean, VA. She was born on August 14, 1941, in Casper, WY.

## Nomination of Marshall A. Staunton To Be Administrator of the Economic Regulatory Administration at the Department of Energy

*March 24, 1986*

The President today announced his intention to nominate Marshall A. Staunton to be Administrator of the Economic Regulatory Administration. He would succeed Rayburn D. Hanzlik.

Mr. Staunton is currently serving as Acting Administrator of the Economic Regulatory Administration at the Department of Energy. Previously he was Deputy Ad-

ministrator of the Economic Regulatory Administration in 1985. He was legislative counsel for Bechtel Power Corp., San Francisco, CA, in 1974–1985.

He graduated from Brown University (A.B., 1954) and Stanford University (J.D., 1957). He is married, has four children, and resides in Washington, DC. He was born December 17, 1932, in Milwaukee, WI.

## Statement by Principal Deputy Press Secretary Speakes on the Gulf of Sidra Incident

March 24, 1986

U.S. naval aircraft and ships carrying out a peaceful freedom of navigation and over-flight exercise in international waters and airspace in the Gulf of Sidra were fired on Monday by missile forces of Libya. This morning at 7:52 a.m. e.s.t. Libyan forces without provocation fired two long-range SA-5 surface-to-air missiles from Sirte on the northern coast of Libya at U.S. aircraft operating in international waters in the Gulf of Sidra. U.S. forces had been operating in that area since Sunday afternoon. Two additional SA-5's and an SA-2 were launched from Sirte at 12:45 p.m. An additional SA-5 was fired at 1:14 p.m. At this point Libyan forces had fired a total of six surface-to-air missiles at U.S. forces.

At approximately 2 p.m., a U.S. aircraft fired two Harpoon antiship missiles at a Libyan missile patrol boat which was located near the 32-30N line and was a threat to U.S. naval forces. The Libyan fast-attack craft was hit. The ship is dead in the water, burning, and appears to be sinking. There are no apparent survivors. At approximately 3 p.m., U.S. forces operating south of the 32-30N line responded to the missile attacks by launching two HARM's (high-speed antiradiation missiles) at the SA-5 site at Sirte. At that time the SA-5 complex was attempting to engage our aircraft. We are

assessing the damage now. We have no reports of any U.S. casualties and no loss of U.S. aircraft or ships.

This attack was entirely unprovoked and beyond the bounds of normal international conduct. U.S. forces were intent only upon making the legal point that, beyond the internationally recognized 12-mile limit, the Gulf of Sidra belongs to no one and that all nations are free to move through international waters and airspace. We deny Libya's claim, as do almost all other nations, and we condemn Libya's actions. They point out again for all to see the aggressive and unlawful nature of Colonel Qadhafi's regime.

It should be noted that because of these numerous Libyan missile launches and indications that they intended to continue air and missile attacks on U.S. forces, we now consider all approaching Libyan forces to have hostile intent. We have taken appropriate measures to defend ourselves in this instance. We did not, of course, proceed into this area with our eyes closed. We reserve the right to take additional measures as events warrant.

*Note: Larry M. Speakes read the statement to reporters at 5 p.m. in the Briefing Room at the White House. Libya claimed the area south of latitude 32°30' as its territorial waters.*

## Statement by Principal Deputy Press Secretary Speakes on the Nicaraguan Incursion Into Honduras

March 25, 1986

Within 48 hours of the House rejection of aid to Nicaraguan resistance, Sandinista military units crossed into Honduras in a large-scale effort to attack UNO [United Nicaraguan Opposition] and FDN [Nicaraguan Democratic Forces] camps, training centers, and hospital facilities. The numbers are up to 1,500 Nicaraguan military troops

that are involved in the incident there.

The President of Honduras [José Simon Azcona Hoyo] has requested that the United States provide urgent military assistance. We're considering this request. It would include trooplift capacity as well as other types of material and services that would be furnished. The President is con-

sidering this request. If the President does make an affirmative decision, which we would anticipate that he would do later today, he would exercise his authority under section 506A of the Foreign Assistance Act that would provide Honduras with \$20 million in emergency assistance. This is under consideration, and we would expect the President to make the proper notification for Congress if he decides to in favor of this.

There is no War Powers consideration in

this area. Whatever trooplift that would be considered would probably be well outside of the zone which the fighting is taking place in southern Honduras. There is no plan to keep Congress into session for any reason. This is a notification and does not require approval.

*Note: Larry M. Speakes read the statement to reporters at 9:51 a.m. in the Briefing Room at the White House.*

## Statement by Principal Deputy Press Secretary Speakes on the Gulf of Sidra Incident

*March 25, 1986*

Yesterday, late morning, two MiG-25's were airborne and approached our aircraft and turned back. 12:45 p.m., two SA-5's and one SA-2 fired at aircraft in the Gulf. Then at 2:15 p.m., one SA-5 fired at an aircraft in the Gulf. We have six confirmed firings, over the period, of missiles.

At 2:17 p.m. yesterday, and this is continuing where we were yesterday, an A-6 from the carrier *America* destroyed a La Combattante class fast-attack, missile patrol craft with harpoon antiship cruise missiles. This was on the 32-30 line. At 3:17 p.m., two A-7's from the *Saratoga* launched a HARM missile, the high-speed antiradiation missiles, at the SA-5 site and inflicted some damage—I'll come back to that.

At 4:15 p.m., Nanutcha, which is a missile patrol craft, is attacked by A-6's. This was inside of the 32-30—south of it—and it was near Benghazi. It was damaged, but the missile boat returned to port at Benghazi. Now, this is basically picking up—I don't think you had that yesterday. At 6:12 p.m. yesterday, the U.S.S. *Yorktown* fired two surface-to-surface missiles and sank a Wadi patrol boat. The damage assessment was—there was debris floating on the water—

boat destroyed. This was outside, north of, considerably north of, the 32-30 line. 6:45 p.m. last night, two A-7's from the *Saratoga* struck an SA-5 missile site at Sirte. We do not have damage assessment on that at this time. So, that's two separate firings of missiles at the Sirte site. At 1:07 a.m.—that's today—two A-6's, one from the *Saratoga*, one from the *Coral Sea*, struck a Nanutcha patrol boat near Benghazi. Damage assessment: boat dead in the water, on fire. Life raft seen in the water. Libyan helicopter search and rescue mission in progress. This is outside of the zone.

So, the totals are three patrol boats sunk, one damaged. Three of these four that we were involved with were outside of the 32-30 line, north of the line. Well, two were north of it, one on it, and one south of it near Benghazi. So, they're operating considerably north of 32-30 approaching the fleet. There were no U.S. casualties and no damage to aircraft or ships on the U.S. side.

*Note: Larry M. Speakes read the statement to reporters at approximately 9:54 a.m. in the Briefing Room at the White House. Libya claimed the area south of latitude 32°30' as its territorial waters.*

## Message to the Senate Transmitting the Haiti-United States Investment Treaty

March 25, 1986

### *To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Haiti concerning the Reciprocal Encouragement and Protection of Investment, with Protocol, signed December 13, 1983, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Haiti and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy

toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

RONALD REAGAN

The White House,  
March 25, 1986.

## Message to the Senate Transmitting the Morocco-United States Investment Treaty

March 25, 1986

### *To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Kingdom of Morocco concerning the Encouragement and Reciprocal Protection of Investments, with Protocol, signed July 22, 1985, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is

designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Morocco and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign in-

vestment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

RONALD REAGAN

The White House,  
March 25, 1986.

## Message to the Senate Transmitting the Panama-United States Investment Treaty *March 25, 1986*

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Panama concerning the Treatment and Protection of Investments, with Agreed Minutes, signed October 27, 1982, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Panama and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That

policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with agreed minutes, at an early date.

RONALD REAGAN

The White House,  
March 25, 1986.

## Message to the Senate Transmitting the Senegal-United States Investment Treaty *March 25, 1986*

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the

United States of America and the Republic of Senegal concerning the Reciprocal Encouragement and Protection of Investment, with Protocol, signed December 6, 1983, at

Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Senegal and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best

and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

RONALD REAGAN

The White House,  
March 25, 1986.

## Message to the Senate Transmitting the Turkey-United States Investment Treaty

*March 25, 1986*

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Turkey concerning the Reciprocal Encouragement and Protection of Investments, with Protocol, signed December 3, 1985, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program which I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Turkey and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy

toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

RONALD REAGAN

The White House,  
March 25, 1986.

## Message to the Senate Transmitting the Zaire-United States Investment Treaty *March 25, 1986*

### *To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Zaire concerning the Reciprocal Encouragement and Protection of Investment, with Protocol, signed August 3, 1984, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is among the first six treaties to be transmitted to the Senate under the Bilateral Investment Treaty (BIT) program that I initiated in 1981. The BIT program is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Zaire and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy

toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, at an early date.

RONALD REAGAN

The White House,  
March 25, 1986.

## Nomination of J. Edward Fox To Be an Assistant Secretary of State *March 25, 1986*

The President today announced his intention to nominate J. Edward Fox to be Assistant Secretary of State (Legislative and Inter-Governmental Affairs). He would succeed William Lockhart Ball III.

Since 1985 Mr. Fox has been serving at the White House as Special Assistant to the President for Legislative Affairs. Previously he was in the Office of Legislative and Inter-Governmental Affairs as Principal Deputy Assistant Secretary (1985) and Deputy Assistant Secretary (1983-1985). He served as minority staff consultant, Subcommittee on Inter-American Affairs, House

Committee on Foreign Affairs, in 1976-1983, and on the staff of the Subcommittee on Future Foreign Policy and Subcommittee on Resources, Food and Energy, House Committee on Foreign Affairs, in 1975-1976. He was a legislative assistant to Congressman John Rousselot (R-CA) in 1973-1975.

Mr. Fox graduated from Ohio University (B.A., 1972) and George Washington University (M.A., 1976). He is married, has three children, and resides in Washington, DC. He was born December 1, 1948, in Columbus, OH.

## **Nomination of J. Roger Mentz To Be an Assistant Secretary of the Treasury**

***March 25, 1986***

The President today announced his intention to nominate J. Roger Mentz to be an Assistant Secretary of the Treasury (Tax Policy). He would succeed Ronald Alan Pearlman.

Since December 1985 Mr. Mentz has been serving as Acting Assistant Secretary of the Treasury (Tax Policy). From April to December 1985, he served as Deputy Assistant Secretary for Tax Policy at the De-

partment of the Treasury. Previously he was a partner in the law firm of Mudge Rose Guthrie Alexander & Ferdon in 1966–1985.

Mr. Mentz graduated from Princeton University (B.S.E., 1963) and the University of Virginia School of Law (L.L.B., 1966). He is married, has two children, and resides in Washington, DC. He was born March 10, 1942, in New York City.

## **Nomination of Frank H. Dunkle To Be Director of the United States Fish and Wildlife Service**

***March 25, 1986***

The President today announced his intention to nominate Frank H. Dunkle to be Director of the United States Fish and Wildlife Service, Department of the Interior. He would succeed Robert A. Jantzen.

Mr. Dunkle is presently serving as the fish and wildlife services coordinator for the Colorado River endangered fishes project. Previously, he was deputy administrator of the Western energy and land use team in Fort Collins, CO; Special Assistant to the Director of the United States Fish and Wildlife Service in 1983–1984; staff director

of the Mountain Plains Federal Regional Council in 1981–1983; executive director of the Montana Republican State Central Committee in 1980–1981; and executive director of the Montana Mining Association in 1978–1980. He was founder and owner of Research Associates in Helena, MT, in 1977–1980.

He graduated from Montana State University (B.S., 1950; M.S., 1955). He is married, has four children, and resides in Lakewood, CO. He was born October 21, 1924, in Oakmont, PA.

## **Nomination of Morris I. Leibman To Be a Member of the Board of Directors of the United States Institute of Peace**

***March 25, 1986***

The President today announced his intention to nominate Morris I. Leibman to be a member of the Board of Directors of the United States Institute of Peace for a term of 2 years expiring January 19, 1987. This is a new position.

Mr. Leibman is a partner in the firm of Sidley and Austin in Chicago, IL. Previously he was with the firm of Leibman, Williams,

Bennett, Baird & Minnon. He serves on the executive board of the Georgetown University Center for Strategic and International Studies and as a director of the Foreign Policy Research Institute in Philadelphia.

He graduated from the University of Chicago (Ph.B., 1931; J.D., 1933). He is married and resides in Chicago, IL. He was born February 8, 1911, in Chicago.



## **Statement by Principal Deputy Press Secretary Speakes on the Nicaraguan Incursion Into Honduras**

*March 25, 1986*

Well, last night, in response to the armed attack into sovereign Honduran territory, President Azcona formally requested urgent U.S. military assistance to include assisting and lifting Honduran troops as necessary and other material assistance in order to repel this and future Sandinista attacks. In response to this request, President Reagan has notified pertinent Members of Congress that he intends to exercise his authority under section 506A of the Foreign Assistance Act in order to provide Honduras with up to \$20 million in emergency assistance.

The use of the President's authority re-

sponds to the unforeseen emergency which exists in Honduras and will be provided from DoD [Department of Defense] sources since these emergency requirements cannot be promptly met through other means. At 11:30 this morning, the President, having notified Congress in accordance with the law, signed and transmitted to the Secretary of State a Presidential determination authorizing release of the emergency assistance.

*Note: Larry M. Speakes read the statement to reporters at 12:10 p.m. in the Briefing Room at the White House.*

## **Statement by Principal Deputy Press Secretary Speakes on the Gulf of Sidra Incident**

*March 26, 1986*

In the Mediterranean, the U.S. naval forces are continuing their exercises in the Mediterranean Sea as scheduled. No additional incidents with Libyan forces have been reported. Sixth Fleet surface vessels and aircraft continue to operate in the Gulf of Sidra in the same general area they have

been for the past 2 days. The fleet remains clear of Libyan territorial waters.

*Note: Larry M. Speakes read the statement to reporters at 9:27 a.m. in the Briefing Room at the White House.*

## **Statement by Principal Deputy Press Secretary Speakes on the Nicaraguan Incursion Into Honduras**

*March 26, 1986*

The U.S. military forces in the region are conducting an airlift and trooplift operations of Honduran forces this morning. Helicopters are flying now. There are reports of Sandinista troop reinforcement on

the Nicaraguan side of the border with Honduras, and there is a question as to what their intent is. It is hoped that the Honduran troop deployments in the south will deter the Sandinista troops from

moving into Honduran territory once again.

One of the goals that Honduras has is to head off any further Sandinista troop incursions into Honduras. The Sandinista incursion resulted in significant casualties in the first day of fighting. In short, the situation has not stabilized. It is premature to draw any conclusion that the military situation in the region is over. We have reports this morning that there is a sizable contingent of Nicaraguan forces that remain inside

Honduras. We had reports earlier that they had targeted a number of installations inside the Honduran border. Their intentions are not clear. There has been a considerable firefight there over the last 24 to 36 hours and the situation continues much as it was yesterday.

*Note: Larry M. Speakes read the statement to reporters at approximately 9:30 a.m. in the Briefing Room at the White House.*

## **Nomination of Roger Milton Olsen To Be an Assistant Attorney General**

*March 26, 1986*

The President today announced his intention to nominate Roger Milton Olsen to be an Assistant Attorney General (Tax Division), Department of Justice. He would succeed Glenn L. Archer, Jr.

Since 1983 Mr. Olsen has been serving at the Department of Justice as Deputy Assistant Attorney General, Tax Division. Previously he served at Justice as Deputy Assistant Attorney General for the Criminal Division in 1981–1983. He was in the private practice of law in Washington, DC, in 1980–1981 and before that as a principal

with Wickham & Craft, PC, in Washington, DC, in 1978–1980. He served as an associate with Hassard, Bonnington, Rogers & Huber and as adjunct professor at Golden Gate University in 1977. He was at the Department of Justice in 1972–1976 as trial attorney in the Tax Division.

He graduated from the University of California at Berkeley (A.B., 1964; J.D., 1968) and George Washington University (LL.M., 1977). He is married, has one child, and resides in Alexandria, VA. He was born April 27, 1942, in San Jose, CA.

## **Nomination of Sonia Landau To Be a Member of the Board of Directors of the Corporation for Public Broadcasting**

*March 26, 1986*

The President today announced his intention to nominate Sonia Landau to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991. This is a reappointment.

Ms. Landau has been a member of the board of the Corporation for Public Broadcasting since 1981 and is presently serving as Chairman. She served on the Presidential transition team on the National Endowment

for the Arts in 1981. Previously she was executive director of the New York State Republican Finance Committee in 1980. In 1978–1979 she was employed with J. Walter Thompson, in London, England. She was director of corporate affairs for the Dreyfus Corp. in New York City in 1977–1978.

She graduated from the University of Denver (B.A., 1958). She is married, has two children, and resides in New York City. She was born July 14, 1937, in Wichita, KS.

## Statement by Principal Deputy Press Secretary Speakes Urging Passage of a Balanced Budget Amendment to the Constitution *March 26, 1986*

The failure of Congress to respond to the manifest desire of the American people for a balanced budget amendment to the Constitution leaves the matter in the hands of the States. It remains the President's hope that Congress will act responsibly to pass a balanced budget amendment, avoiding the need for a constitutional convention. If Congress does not act soon, the States will have no choice.

The President urges Congress to set aside its free-spending habits and to promptly act to propose a balanced budget amendment before the supporters of such an amendment have no other course than to pursue petitioning the remaining State legislatures.

*Note: Larry M. Speakes read the statement to reporters at 12:35 p.m. in the Briefing Room at the White House.*

## Statement by Principal Deputy Press Secretary Speakes on the Nicaraguan Incursion Into Honduras *March 26, 1986*

We have information to confirm that, in addition to 1,500 Sandinista troops that attacked the central part of the Honduran salient, additional Sandinista forces have occupied the vicinity of San Andres de Bocay, further to the east. We have also received further confirmation that Soviet-made MI-8 helicopters have been providing fire support for Sandinista operations in Honduras.

Reports from the field indicate that some Sandinista units, which attacked in Honduras over the weekend, appear to be attempting to disengage and withdraw back into Nicaragua. There are, currently, reports of units that are breaking down into smaller units, throwing down their arms, and trying to "exfiltrate" back into Nicaragua. Contrary to statements made by Nicaraguan emissaries in several locations, it now appears that as many as 300 Sandinista troops are blocked in Honduras and unable to extricate themselves from the engagement.

We have information that a number of prisoners have been taken, and they have confirmed earlier information regarding the attempt to make a quick strike into Honduras and withdraw before there could be any reaction. Two prisoners in the custody of the Honduran Armed Forces have identi-

fied their units as the Francesca Estrada Special Counterinsurgency Battalion and the Germán Pomanes Special Counterinsurgency Battalion. There continues to be significant movement of Sandinista units closer to the border, and artillery and BM-21 multiple rocket launchers continue to fire into Honduras in support of the Sandinista units.

Honduran Government and U.S. Army helicopters have begun movement of Honduran military units to the border region. This support activity on the part of the United States is being conducted under the present authorities under section 506A of the Foreign Assistance Act. Our helicopters are not in any way being exposed to the imminent conflict. We are transferring Honduran troops from central Honduras to the region of the Las Vegas salient in south-central Honduras. Throughout the day there will be approximately 50-60 sorties of U.S. Chinook and Huey helicopters, which carry Honduran troops and their associated equipment.

We have asked and received permission of the Honduran Government to release President Azcona's letter to President Reagan which formalized his verbal request for U.S. assistance. The text reads as follows:

*"Mr. President:*

*"My government has confirmed the presence of Sandinista armed forces on Honduran territory in flagrant abuse of our sovereignty.*

*"The Sandinista troops have entered the eastern zone of our country in the department of Olancho. The area invaded by Sandinista forces is very inaccessible, making it virtually impossible for the Honduran Armed Forces to deploy to the region quickly. Therefore, I formally and urgently request military assistance from the United States of America to include, first of all, air transport of Honduran troops as necessary, and*

*other material assistance that may be necessary to repel the Sandinista forces and to prevent these attacks from recurring in the future.*

*"In the hope that this request will be approved with the urgency the case merits, I close this letter, Mr. President, with an expression of my highest consideration and esteem. José Azcona Hoyo, Constitutional President of Honduras."*

*Note: Larry M. Speakes read the statement to reporters at approximately 12:40 p.m. in the Briefing Room at the White House.*

## Nomination of Four Members of the National Council on the Handicapped

*March 26, 1986*

The President today announced his intention to nominate the following individuals to be members of the National Council on the Handicapped for terms expiring September 17, 1988:

*John F. Mills* will succeed Robert V. Bush. Mr. Mills is retired senior vice president of the Tobacco Institute in Washington, DC. He attended the University of Wisconsin. He is married, has four children, and resides in Arlington, VA. He was born September 14, 1920, in Milwaukee, WI.

*Robert S. Muller* will succeed Hunt Hamill. Mr. Muller is administrator for human services at Steelcase, Inc., in Grand Rapids, MI. He graduated from Aquinas College (B.S., 1974). He is

married, has three children, and resides in Grandview, MI. He was born June 22, 1941, in Grand Rapids.

*Brenda Premo* will succeed Henry Viscardi, Jr. Ms. Premo is executive director of the Dayle McIntosh Center for the Disabled in Garden Grove, CA. She graduated from California State University at Long Beach (B.A., 1975). She was born February 4, 1952, in Longhead, CA, and now resides in Stanton, CA.

*Phyllis D. Zlotnick* will succeed R. Budd Gould. Ms. Zlotnick is a legislative consultant to the Office of Protection and Advocacy for the State of Connecticut in Hartford. She attended the University of California at Riverside. She was born August 27, 1942, in Hartford, CT, and now resides in West Hartford.

## Message to the Congress Transmitting the Fifth National Energy Policy Plan

*March 26, 1986*

*To the Congress of the United States:*

I am pleased to report to you that the state of our energy health is good, and the prospects for its future promising.

Our energy climate has undergone a re-

markable transformation in just five years. Crude oil prices have declined, with savings passed on to consumers. The United States is using energy more productively, and our energy supply is more diversified than ever.

Total U.S. energy production is at an unprecedented level, and we are far less vulnerable to disruption of our energy supplies.

Our renewed energy health is a testament to the ingenuity of the American people and the strength of American businesses, large and small. We have rightly placed our trust in our people and the belief that we were not running out of energy, only imagination. We have reduced regulation, wherever and whenever possible. We have placed our confidence in the marketplace, rather than government, to make key economic decisions about energy.

The result is a foundation of energy stability and energy security. We stand at the beginning of a new era of energy strength in which the United States has the resources and capabilities to sustain vigorous economic growth, as well as our important role in the free world.

With this new opportunity, of course,

come new challenges. Unless these challenges are met, we may not achieve the energy exploration, technological advance, and conservation improvements this Nation needs. We have more work to do in cutting regulatory barriers, especially natural gas controls, diversifying our resources, and increasing alternate energy sources, which should further reduce our dependence on insecure energy imports. I am submitting the Fifth National Energy Policy Plan, which addresses the job ahead.

We are fortunate we can look forward to the coming era with confidence that we have learned from the lessons of the past and that with new tools and justified belief in the American people, our technology, and free markets, we will meet the energy challenges and opportunities ahead.

RONALD REAGAN

The White House,  
March 26, 1986.

## Letter Accepting the Resignation of Fred F. Fielding as Counsel to the President

*March 26, 1986*

*Dear Fred:*

With great regret at your departure, and gratitude for your invaluable guidance and advice for more than five years, I accept your resignation as Counsel to the President.

I will miss your wise counsel and good judgement. Your service as the President's lawyer has exemplified the highest traditions both of the legal profession and of American public service. As your "only client," I appreciate as no one else can the enormity and variety of your contribution to the historic accomplishments we have been able to achieve for the American people.

We live in an era in which law pervades virtually every aspect of public policy, and public scrutiny of government is more intense than at any time in our Nation's history. Countless problems of every size and scope and substantive dimension were en-

trusted to you—and handled properly and effectively. Your foresight and timely guidance prevented countless other challenges from ever becoming problems at all.

At times of crisis, yours was a voice of calm and reason. Your intellect, skill, and tact mixed with warm personal qualities of compassion and good humor enabled you to discharge your duties with uncompromising integrity and a deep and unviolated respect for the innumerable confidences with which you were entrusted.

Under your guidance, the lawyers on your staff became a reflection of the man they served, establishing a standard and reputation for excellence and professionalism throughout the government. In many ways, your term of service has not only brought distinction to the office you held, but has actually helped define it and provide a model for any who would take on its manifold responsibilities in the future.

As you return to the private practice of law, you can look back with well earned pride and satisfaction on the service you have rendered, not simply to me, and to our Nation, but to the very institution of the Presidency.

I know that I will be able to seek your counsel and call upon you in the future. But for now, you leave the White House with the abiding affection and respect of Nancy and me, and with our very best wishes for you, Maria, and your children Adam and Alexandra.

With warm friendship and personal regards, and again my sincerest thanks.

Sincerely,

/s/ RONALD REAGAN

*Dear Mr. President:*

As I told you, one of the most difficult decisions I ever made was to tender you my resignation as Counsel to the President.

It was difficult because you have entrusted me with challenges of great dimension

and variety, and provided to me the confidences and had the confidence in me to do the tasks.

It was difficult because you permitted me to share in the exciting adventure of your Administration, which I believe will be regarded as a period of true fulfillment of the American spirit.

It was difficult because of the high regard and deep affection I have for you and the First Lady and the appreciation I have for the friendship and support you both have extended to me.

Mr. President, thank you for the honor you bestowed upon me and for providing me for the past five years with one of the most professionally and personally rewarding experiences of my life.

With deepest respect and very best personal wishes, I am,

Sincerely,

/s/ FRED

*Note: The originals were not available for verification of the content of these letters.*

## Letter to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on the Gulf of Sidra Incident March 26, 1986

*Dear Mr. Speaker: (Dear Mr. President:)*

On March 23, United States forces in the Eastern Mediterranean began a peaceful exercise as part of a global Freedom of Navigation program by which the United States preserves its rights to use international waters and air space. This exercise is being conducted entirely in and over areas of the high seas, in accordance with international law and following aviation safety notification procedures.

On March 24, our forces were attacked by Libya. In response, U.S. forces took limited measures of self-defense necessary to protect themselves from continued attack. In accordance with my desire that the Congress be informed on this matter, I am providing this report on the actions taken by United States Armed Forces during this in-

cident.

Shortly before 8:00 a.m. (EST) on March 24, two SA-5 surface-to-air missiles were fired at U.S. aircraft flying over the high seas in the Gulf of Sidra from a Libyan missile installation in the vicinity of Sirte on the northern Libyan coast. During the course of the next few hours, several surface-to-air missiles were fired at U.S. aircraft operating over the high seas. At approximately 3:00 p.m. (EST) these missile installations again activated their target-acquisition radars with the evident objective of firing upon U.S. aircraft. Two HARM air-to-surface missiles were thereupon fired by a U.S. Navy A-7 aircraft, apparently resulting in the destruction of the radars controlling the missile battery. After a short outage, the radar returned to active status and still

posed a threat to U.S. forces. At 6:47 p.m., A-7 aircraft again fired two HARM missiles at the SA-5 radar at Sirte. After another short outage, the radar has returned to active status.

Meanwhile, a Libyan missile patrol boat equipped with surface-to-surface missiles came within missile range of U.S. ships on the high seas well away from the Libyan coast. The U.S. commander determined, in light of the Libyan attacks on U.S. aircraft, that this vessel was hostile and therefore ordered U.S. aircraft to engage it. At approximately 2:00 p.m. (EST), U.S. Navy A-6 aircraft fired two Harpoon missiles, which struck and heavily damaged the Libyan vessel. At approximately 4:30 p.m. (EST), a second Libyan patrol boat approached U.S. forces, and was driven off by U.S. Navy aircraft. Shortly after 6:00 p.m. (EST), a third Libyan patrol craft approached the USS YORKTOWN at a high rate of speed; the YORKTOWN fired two Harpoon missiles, which hit the Libyan craft.

Shortly after 12:20 a.m. (EST) on March 25, U.S. Navy A-6 aircraft armed with Harpoon missiles attacked another Libyan craft, apparently resulting in the sinking of that vessel.

All U.S. aircraft returned safely to their carriers, and no casualties or damage were suffered by U.S. forces. The extent of Libyan casualties is not known.

U.S. forces will continue with their current exercises. We will not be deterred by Libyan attacks or threats from exercising our rights on and over the high seas under international law. If Libyan attacks do not cease, we will continue to take the measures necessary in the exercise of our right of self-defense to protect our forces.

The deployment of these United States Armed Forces and the measures taken by them in self-defense during this incident were undertaken pursuant to my authority under the Constitution, including my authority as Commander-in-Chief of U.S. Armed Forces.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate. They were released by the Office of the Press Secretary on March 27.*

## Remarks by Telephone to Vice Admiral Frank B. Kelso II, Commander of the United States 6th Fleet March 27, 1986

I would like to read to you the following message which I am having sent to the ships and sailors of the 6th Fleet:

During the past 5 days, the 6th Fleet has once again served as the spear and shield of American policy in a troubled and volatile region. The fundamental principle of freedom of the seas—so important to the economy and security of the free world—has been upheld in the face of a reckless and illegal Libyan attack. Your quick response and the bravery and professionalism displayed throughout this operation were an inspiration for all of us. I am particularly pleased that you did not suffer any losses. You have sent a message to the whole world that the United States has the will

and, through you, the ability to defend the free world's interests. Your determination and tireless response to Libyan threats make this world a safer place.

I am extremely proud to be the Commander in Chief of such professionals. Your courage, sacrifice, and dedication on the frontlines of freedom are recognized and appreciated by all your countrymen. On behalf of all Americans, I say: Well done. Thank you, and we're proud of you. Good luck and Godspeed.

*Note: The President spoke with Vice Admiral Kelso on the task force flagship, the U.S.S. "Coronado," which was on duty in the Mediterranean.*

## Statement on the Conference on Security and Cooperation in Europe

March 27, 1986

I met with Michael Novak, a distinguished scholar and writer, who will head the United States delegation to the Experts' Meeting next month of the Conference on Security and Cooperation in Europe (CSCE) in Bern, Switzerland. That meeting, part of the Helsinki process of lowering the barriers dividing East from West, will discuss expanding contacts across borders. Mr. Novak reported to me on his recent consultations with our NATO allies, the Swiss hosts, and the Soviet Union. In Moscow he also met with a number of individuals divided from their spouses.

Since 1 out of every 10 Americans has roots in Eastern Europe and the Soviet Union, the issues to be discussed at Bern—family reunification, family contacts, binational marriages, travel for personal and professional reasons, and emigration—are not abstract political questions. They are subjects touching the heart of our society: the family. Progress between the CSCE countries in this area would do much to

carry forward my discussion last November with General Secretary Gorbachev in which we agreed on the importance of resolving humanitarian cases in a spirit of cooperation.

Today, in the Soviet Union and other East European States, there are too many individuals and families who are separated from relatives in the West or prevented from traveling abroad. The Berlin Wall is a physical embodiment of the cruel and unnecessary policies that separate peoples from one another. At Bern we have a chance to pursue the process of bringing down the barriers to human contacts that separate East from West.

I have instructed Mr. Novak to speak forthrightly at Bern about the continuing problems in the field of human contacts and the need for the Soviet Union and Eastern Europe to work harder to resolve them. We would like to see practical results that will bring benefits to the citizens of East and West.

## Informal Exchange With Reporters in New Orleans, Louisiana

March 27, 1986

*Q.* Mr. President, are you hyping up those stories about troops in Honduras?

*The President.* What?

*Q.* Are you hyping up those stories about troops in Honduras?

*The President.* The White House is giving you the truth, as I think all of us know.

*Q.* How bad was this invasion? We hear there weren't as many people.

*The President.* All that I can understand is that we knew there were two battalions. Now, you're talking of rough numbers of a battalion. Maybe those battalions were

under strength or over strength, which we don't know on that as to the exact numbers. But there were two battalions which could number around 1,500.

*Q.* What do you think about going after American targets in Libya? They're talking about going after American targets?

*The President.* Everyone understands now the exercise is over.

*Note:* The exchange began at 12:20 p.m. upon the President's arrival at New Orleans International Airport. Following the ex-



*change, the President went to the New Orleans Hilton Riverside and Towers to address a fundraiser for Representative W. Henson*

*Moore, the Republican candidate for the U.S. Senate.*

## Remarks at a Senate Campaign Fundraiser for Representative W. Henson Moore in New Orleans, Louisiana March 27, 1986

*The President.* I thank you all very much. The warmth of your welcome makes me think that maybe you believe that I'm a member of the LSU Tigers. *[Laughter]* And thank you, Henson, for those very warm words and very kind words.

It's a pleasure for me to be with you here today in support of a tough and responsible Member of the Congress, a man who has served Louisiana and his country well, Congressman Henson Moore. I know this is a fundraising luncheon for Henson, but I'd like to take a minute to recognize also the tremendous job that Bob Livingston has done in the Congress. Henson and Bob have been allies I could count on in the struggle to put America's economic house in order and to rebuild our country's defenses. Let me just ask you, I know this is silly of me, but can I count on you to send Henson to the United States Senate? *[Applause]* You just made my day. *[Laughter]* And you didn't do anything bad to his. *[Laughter]*

Well, it's always great to be in Louisiana. I still remember coming here when I was looking for a job in 1980. *[Laughter]* I delivered a speech on a riverboat complete with Dixieland music. Now, that makes me think—you know something would make me think of a story. Job hunting—this is about a fellow who was looking for work. He wanted to work with animals. And then he saw a help wanted ad for the zoo, and he went right down. And they said, "Fine." But they told him his first job was to put on a gorilla suit—because their gorilla had died and the other one hadn't arrived yet—and be in the cage and kind of perform for the children and so forth. And then they assured him, though, that as soon as the other gorilla arrived, why, he'd have a regular job

there in the zoo. So, there he was. Well, just sitting around in the zoo and making faces at the kids got a little boring. And they had a rope in there, and finally he began swinging on the rope for them and doing a few tricks. And one day he got carried away and swung that thing over to where he fell off the rope and landed in the lion's cage. And the lion came roaring at him. And he started screaming, "Somebody, quick, get me out of here." The lion jumped on him and said, "Shut up. You'll get both of us fired." *[Laughter]*

But between now and election day, I hope you'll do your utmost to make sure that the people of this State give Henson Moore the job that he's looking for. He's effective. He's hard-working. And he'll be a Senator that you can be proud of. Believe me, I know how effective he is. Just recently he led the way to a settlement between the House and Senate on the issue of offshore oil revenue. He was in the Oval Office presenting Louisiana's case, and let's just say Henson knows how to get your attention. At that meeting I told Henson that the resolution of the "8-6" issue, contained in the reconciliation bill, which deals with the division of offshore oil revenue between the State and Federal Governments, had my support. Since then, Henson Moore has been—the rest of the reconciliation bill remained acceptable. I expect to sign it into law when it reaches my desk. And I believe that this will mean over \$600 million for Louisiana yet this year.

The citizens of our country have been enjoying one of the longest and strongest peacetime economic expansions in our history. The glitch in last month's unemployment figures notwithstanding, more jobs have been created since the recovery began

than in all other industrialized nations combined—almost 10 million. At the same time, inflation, which was public enemy number one when I spoke on that riverboat back in 1980, is now lower than we've seen in two decades. And with interest rates continuing to edge down—and they came down further yesterday—and the stock market reaching an all-time high—and if it continues what it's done in the first half of today, it will be another all-time high by the end of the day, although with Wall Street you never know. They can make a turn before the day's over, but it's pretty solidly growing up there.

I'm aware of the economic troubles that persist here in Louisiana. Your difficulties make it absolutely essential that you have a Senator who can command the respect of the public and of other elected officials, an individual who can lead Louisiana into the sunshine of growth and prosperity so apparent throughout so much of our country. Sending Henson Moore to the United States Senate will be your way of declaring for all to hear that Louisiana is getting down to business. The decision the people of Louisiana will make September 27th is important to this State and our country. The big taxers and spenders are waiting in the wings. Mark my words, if they regain control of the Senate, they're going to force upon us the same economic failures and hardships that brought America to the edge of a national economic calamity only 6 years ago.

I'd like to hear your opinion. Does anyone else, anyone here, want to go back to the days of double-digit inflation, ever-increasing taxes, and national decline?

*Audience.* No!

*The President.* We can't leave the bad old days behind if the advocates of the failed policies of the past are put in charge of the United States Senate. We all know, for example, that there are those who believe the answer to high deficit spending is to increase your taxes—and then increase them again. Well, that's their answer to just about every problem—rob Peter to pay Paul. They don't realize Peter went bankrupt a long time ago. *[Laughter]* There's an old saying that in raising taxes, as in shearing sheep, it is best to stop when one gets to the skin. The big taxers on Capitol Hill

don't know when to stop, and we can't afford to let them regain control of the Senate.

If we raise taxes, we risk knocking the legs out from under the national economic growth. And that would leave us even bigger deficits. So, what's the answer? Well, first and foremost, we must encourage growth and investment. Improving economic conditions are already making it easier to meet deficit reduction targets. The experts are beginning to take note of this. But these good tidings do not exempt Members of Congress from their own duty to overcome their addiction to deficit spending, which with only one or two single-year exceptions has gone on for 50 years now. Even with an expanding economy, we're still talking about one of the preeminent challenges of our day. And here again, I am more confident than ever that we can meet this challenge, not by clobbering our people with higher taxes and less take-home pay, but through a combination of realistic budget reductions and economic growth.

To solve this and other problems, America needs the talent and hard work of confident, people-oriented leaders like Henson Moore, elected officials who would rather ask the Federal Government to tighten its belt than to ask American families to tighten theirs, leaders who understand that the right answer to helping the less fortunate is not handouts and welfare, but jobs and opportunity. What we're doing is recapturing that same spirit of enterprise and ingenuity that turned a vast American wilderness into a dynamo of freedom and prosperity.

We must remember, however, that unless our country is secure, none of the other hotly debated issues have relevance. President Andrew Jackson, who early in our country's history fought and won a great victory in this city, once said, "The first duty of a soldier or good citizen is to attend to the safety and interest of his country. . . ." Old Hickory's words ring true this day. All Americans must remember that, as a free people, the future is in our hands. And if we don't see to do our duty, our beloved country can remain neither free nor secure, as Henson just told you. During the last decade, our government,

paralyzed by uncertainty, permitted our defenses to erode and ignored a growing totalitarian threat. But the failures of the last decade should have taught us something. Crossing our fingers and hoping for the best is not the way to ensure a more peaceful world.

Militaristic states perceive unilateral concessions as a sign of weakness, not good faith. Serious negotiations flow not from proving sincerity but from resolve and leverage. In short, peace through strength is a fact of life, and it's about time for America to leave uncertainty and indecision behind. It's time to grow up and face reality. Since coming to Washington, time and again we have struggled on Capitol Hill just to prevent our negotiators from being stripped of their leverage prior to getting to the negotiating table. Time and time again we won, with only a tiny margin, votes essential to our security. For example, there are those who, while loudly proclaiming a belief in arms control agreements with the Soviet Union, at the same time have voted against systems that persuaded the Soviets to negotiate. The Strategic Defense Initiative was opposed by many who claimed the Soviets would cancel arms talks if we proceeded with that defensive system. Well, the opposite, of course, was true. I have little doubt if it were not for the installation of the Pershing and cruise missiles in Europe and our commitment to developing an anti-missile defense shield that the Soviets would not now be negotiating with us.

In Central America we won military support for the besieged democracy of El Salvador by only a few votes. Had we lost, the tragedy that would have followed would have been a disaster for the people of that country and would have set off a chain of events beyond our control. Many of those who opposed that military aid suggested that Communist victory in El Salvador was inevitable, that our military support was only prolonging the agony. And, again, the opposite was true. Today the Communists are on the run in El Salvador, and even critics believe President Duarte can make democracy in his troubled country. And they have had two fine, fair elections there as a democracy. One of the important factors that has given the people of El Salva-

dor a chance has been the courage of the Nicaraguan democratic resistance. These brave men and women have bogged down the Communist drive in Central America.

One week ago the House of Representatives voted against assisting these Nicaraguan freedom fighters, and again we see reality turned on its head. At the same time that our opponents claim to support negotiations, they move to eliminate any incentive for the Communists to negotiate. They are not going to come to the table because they have had a change of heart. They are going to come because the heat is on and they get tired of the heat that the *contras* can impose upon them. Does anyone really believe that the ruling clique that runs Nicaragua will enter into a serious dialog simply to prove they're good guys? One opponent of aid to the freedom fighters was quoted after the vote as saying, "I hope the Sandinistas take it as a sign of peace and friendship." Well, the Nicaraguan Communists took the House vote as a sign all right; they invaded the territory of Honduras with about 1,500 heavily armed troops, and then they lied about it. This military drive demonstrates the nature of the Nicaragua regime. The Communists in Nicaragua are not seeking dialog and persuasion or pluralism. They want total power in their hands, and they have no respect for the borders of their neighbors. This Sandinista offensive is a slap in the face to everyone who voted against aid to the freedom fighters thinking it to be a vote for reconciliation.

We live in a dangerous world. If peace is to be maintained and if our country is to be secure, we must have the courage to face facts and act. The lives of the Nicaraguan freedom fighters, the fate of Central America, is to a large degree in the hands of the United States Congress. Louisiana's House delegation, demonstrating a bipartisan commitment to our national security, voted 6 to 2 for the freedom fighters that last time around. Louisiana can be proud of that. But last Thursday's House vote will not be the final word on this issue. I hope the Senate will vote today and send the measure back to the House for another vote as quickly as possible, because that's what the Senate is debating as we sit here today.

As you know, this past week the United States—this is another subject, same philosophy—the United States 6th Fleet exercised its right of international passage in the Mediterranean. You're well aware they did it by operating with ships and aircraft, some of them in the Gulf of Sidra. They came under attack by the forces of the Libyan Government, such as it is—[laughter]—and they performed superbly. And now I can tell you, as of today, the exercise is complete. And this morning, I telephoned the Commander of the 6th Fleet and told him, on behalf of all of you, of the American people, congratulations one and all for a job well done.

I think we can all be proud that we have such fine and outstanding servicemen protecting and defending our country. Wherever they are in the world, Korea and other places and there in that Navy, I have to tell you nothing in this job I have has made me more proud than the young Americans in uniform today. They aren't draftees. They volunteered. They're all there by choice. And would you be pleased to know that the highest percentage of high school graduates ever in the history of our military is in our military today? And there are three intelligence brackets upon which various assignments are based. The highest percentage ever in our history is in the top bracket of intelligence, in those servicemen and women that we have.

And, incidentally, I know you've been treated to a drumbeat of propaganda about defense budget and defense spending and as if we're spending our money on \$400 hammers and things of that kind. Let me just reassure you of something: All of those horror stories that you've heard—we found we aren't doing that. This is what we found has been going on, and we've corrected it. We bought tens of thousands of hammers last year between \$6 and \$8 apiece—no \$400 hammers. [Laughter]

But let me make some broader points. First, freedom of navigation is a vital interest to all free nations, the lifeblood of our prosperity and our security. In many parts of the world we regularly make clear that we do not recognize territorial claims con-

trary to international law. Some of those who often "Blame America First" have suggested that the presence of our fleet was a deliberate act of provocation. The truth is, this was the seventh time our fleet has operated and had those exercises crossing the border sometimes into the Gulf of Sidra. Out of our 45 ships in the maneuvers, only three were on the other side of that so-called Line of Death. It was Qadhafi's establishment of an illegitimate line in the Gulf of Sidra that violated international law, just as Qadhafi has routinely violated the peace of his region, the borders of his neighbors, and the safety of innocent citizens around the world.

Therefore, the United States will continue to defend the basic principles of law, free navigation, and international security. And I've had one rule from the very first day in office: We will never send our young service people anyplace in the world where there is danger without them understanding that if somebody shoots at them, they can shoot back. In addition, the United States will not be intimidated by new threats of terrorism against us. We're aware of intensive Libyan preparations that were already underway for terrorist operations against Americans. Mr. Qadhafi must know that we will hold him fully accountable for any such actions.

America and our allies in the cause of freedom have never been perfect, but we have nothing to apologize for. In these last 6 years we've witnessed one of the greatest expansions of democracy in the history of our hemisphere. If we have the integrity to do what is right, freedom will not only survive, it will triumph. And to do that, we need leaders like Henson Moore. So, I ask you to do what you can to see to it that America is given the benefit of his leadership in the United States Senate.

I'm counting on you, and so is he. And thank you, and God bless you all.

*Note: The President spoke at 1:41 p.m. in the Grand Ballroom at the New Orleans Hilton Riverside and Towers. A tape was not available for verification of the content of these remarks.*

## **Statement on Senate Approval of United States Assistance for the Nicaraguan Democratic Resistance**

***March 27, 1986***

I am deeply pleased by today's vote in the Senate, and I want to express my thanks to those who voted for aid to the freedom fighters. The Senate's action is sure to send a profoundly reassuring signal to those fighting for freedom in Nicaragua and to Nicaragua's threatened neighbors. It helps to demonstrate that it is indeed possible to forge democracy and stability in our hemi-

sphere.

Now the issue returns to the House, where I hope we can garner the few additional votes necessary to achieve a positive outcome. I urge those Members of the House who were not with us last week to cast a positive vote for freedom and for the national security interests of the United States.

## **Statement by Principal Deputy Press Secretary Speakes on the United States Antisatellite Weapons Program**

***March 28, 1986***

The President has expressed deep concern that Congressmen Aspin and Brown have decided to oppose the continuation of the only antisatellite (ASAT) program the United States now has nearing deployment that can offset the Soviet monopoly on ASAT capability that has existed for several years.

While the President is also concerned about program costs and technical problems, he has determined that the U.S. ASAT program should go forward as a key, effective element of our deterrence. Many of the problems in the program, as Congress knows, are due to Congress' own prohibition against testing and other congressional program adjustments. A prompt lifting of the congressional prohibition on testing would enable us to bring our ASAT program to operational readiness at the least possible cost.

Unilateral actions such as this undermine the position of our negotiators in Geneva and make it substantially more difficult, if not impossible, to reach verifiable and equitable agreements with the Soviets. The protection of our satellites throughout the world depends on a clear understanding by our adversaries that they cannot destroy our space systems with impunity in times of crisis.

These U.S. systems that are threatened are the systems that protect the lives of our men and women deployed throughout the world. Should deterrence fail, our ASAT program would be critical to deny any adversary the use of space-based systems used to target our land and sea forces. The President will be working closely with the Congress in the days ahead to assure that systems that protect our vital interests such as the U.S. ASAT programs are not canceled.

## **Appointment of James A. Kelly as Special Assistant to the President for National Security Affairs and Senior Director of Asian Affairs at the National Security Council**

***March 28, 1986***

The President today announced the appointment of James A. Kelly to be Special Assistant to the President for National Security Affairs. He will also serve as Senior Director of Asian Affairs in the National Security Council staff. He will succeed Gaston J. Sigur, Jr.

Mr. Kelly has served as Deputy Assistant Secretary of Defense for International Security Affairs (East Asia and Pacific Affairs) since June 1983. Prior to his appointment at the Defense Department, he resided and pursued business interests in Honolulu, HI, and served as an active duty officer in the

U.S. Navy. His Navy service included politico-military affairs in the Office of the Secretary of Defense, as well as with financial management and logistics duties. His assignments included Iran, Southeast Asia, Washington, Pearl Harbor, and at sea.

Mr. Kelly graduated from the U.S. Naval Academy (B.S., 1959), Harvard University Graduate School of Business Administration (M.B.A., 1968), and the National War College (1977). He and his wife, the former Audrey Pool, have two children and reside in Arlington, VA. He was born September 15, 1936.

## **Radio Address to the Nation on International Violence and Democratic Values**

***March 29, 1986***

As most of you know, this week is one of the holiest and most solemn in the Christian calendar and will be followed soon by one of the holiest Jewish holidays. How sad it is, then, that this season has been marred by crisis and violence.

United States ships and aircraft operating in international waters in the Mediterranean were fired on by the forces of the north African nation, Libya. This was a direct military confrontation provoked by Libya's dictator, Colonel Qadhafi, who usually prefers to arm, train, and direct terrorists who gun down helpless civilians—for example, those terrorists who killed 19 civilians last December at the Rome and Vienna airports. The Libyan Government called the attacks—which left five Americans dead, including an 11-year-old girl—heroic acts. But last week Colonel Qadhafi tried his luck with some people who could actually defend themselves—United States Armed Forces, our 6th Fleet. I think it's enough to say the fleet suppressed the attacks with no

loss of life.

But as if violence in the Mediterranean wasn't enough, we also had word from Central America that forces of the Communist government of Nicaragua, the Sandinistas, invaded the nearby nation of Honduras in an attempt to destroy Nicaraguan freedom fighters, who have taken up refuge there. Once again, the news for the forces of freedom was good. The freedom fighters gave the invading Communists a resounding defeat. Still, it's sad to have to begin this report with such accounts.

Eastertide for Christians and Passover for Jews are meant to be times of spiritual awareness and a deepening encounter with the Lord and with the Lord's injunction that all nations and peoples of the Earth live in peace and harmony with each other. So, perhaps a word or two is in order on the source of the violence that we've seen this week. You see, dictators like those in Libya or in Nicaragua know how unpopular they are with their people. They know how

shaky their rule is. They can never really feel secure. And that's why they're afraid of free elections. It's also why they need a secret police and so much armed might to intimidate those they fear most, their own people, to prevent them from even entertaining the hope that democracy will some day come to their own country. And that's why so many dictators have a special fear and hatred for the United States. American power, as long as it is used wisely and justly, is an undying symbol of hope for oppressed peoples around the world.

Recently, in nations like El Salvador, Grenada, the Philippines, and Haiti, we've seen how quickly that hope can blossom into democratic movements. We have a right to be proud that in all those instances the United States was able to help. So, let us be thankful this week that America has been permitted to further the cause of peace and freedom. And in particular let us give thanks for one of our most cherished freedoms: freedom of choice and religious belief, the freedom to worship, each in our own way. You know, a few years ago, when I spoke to some evangelical ministers, I noted that there was sin and evil in the world and that all of us had a spiritual obligation to fight it.

This was interpreted by a few to mean opposition to totalitarian and Communist dictators. Well, of course, that's true. But the real context of that quote is rarely given. I was talking specifically then about America's own spiritual problems. I remind-

ed those ministers that America, too, like any other people or nation, had what I called "a legacy of evil" to contend with, things like racism or anti-Semitism or other forms of intolerance. And I urged those ministers to help fight the battle against hate groups in their communities, who promote intolerance. And it really struck a note with them. Well, that's what America is all about: freedom, tolerance, each different religious and racial group looking out for the rights of the other. And I think this is a good theme for all of us to reflect upon as we worship and give thanks to the Lord. Let us pray that America will always use her power wisely, justly, and humbly to defend our legitimate interests, to help those who are struggling for freedom. But let us pray, too, that God will give our country the humility to see our own faults and the strength to preserve our hard-won tradition of freedom to worship and religious tolerance.

As Lincoln said more than a century ago—in the midst of the struggle to eradicate another great evil, slavery—he was not so much concerned that God was on our side as he was that he was on God's side. In this season of Easter, in this coming season of Passover, and in every season, may this always be America's prayer.

Until next week, then, thanks for listening, and God bless you.

*Note: The President spoke at 9:06 a.m. from his ranch in Santa Barbara County, CA.*

## **Statement by Deputy Press Secretary Roussel on the Soviet Nuclear Test Ban Proposal**

***March 29, 1986***

The President has taken note of General Secretary Gorbachev's speech on Soviet television today. The United States has repeatedly made it clear that the practical step now needed in the area of nuclear testing limitations is to enhance mutual confidence in the ability of the two sides to verify existing agreements, in particular the unratified Threshold Test Ban Treaty and the Peace-

ful Nuclear Explosions Treaty. The President has made a series of concrete proposals to the Soviet Union in this regard, most recently on March 14. In this initiative the President invited Mr. Gorbachev to send Soviet experts to the United States to examine our new CORRTX verification system and to observe a U.S. nuclear test in mid-April at our Nevada test site. The President

made it clear that if this meeting leads to an agreement on verification—incorporating CORRTX—which meets our concerns, he is prepared to move forward toward ratification of these two treaties. This proposal is still valid, and we expect the Soviet Union to respond to it seriously, as we have responded to all Soviet proposals.

As far as a nuclear testing moratorium is concerned, the U.S. position has not changed. From the time that the Soviets announced their moratorium last year, we made clear why a moratorium is not in the security interests of the United States, our friends, and allies. The United States has learned through experience that moratoria cannot be counted on to lead to the enhanced security desired. While the total elimination of nuclear weapons remains an ultimate goal, nuclear weapons remain needed to deter aggression and secure the peace. As long as this is the case, a moderate level of nuclear testing is needed to ensure the continued reliability, safety, and effectiveness of our nuclear deterrent.

Regarding a meeting between the President and General Secretary Gorbachev, the

two agreed at Geneva “to meet again in the nearest future,” and the General Secretary accepted the President’s invitation to come to the United States in 1986. In December the President indicated to the General Secretary which dates would be most convenient for this meeting. No reply has yet been received regarding this suggestion. Nevertheless, the President is confident that the General Secretary takes his agreement seriously and that he will respond in due course.

In the President’s view, meetings at the highest level should deal with the entire range of important issues between our two countries. Nuclear testing is one of them, but only one; and it is an issue which is directly related to others such as the need—which we see as the highest priority—to reduce the levels of existing nuclear arms and to establish effective verification procedures. If the Soviet Union desires to make serious progress on the question of nuclear testing limitation, it should accept the President’s longstanding proposal that we have our experts meet, and should respond positively to the President’s most recent offer.

## Statement on the Death of Actor James Cagney

*March 30, 1986*

Nancy and I have lost a dear friend of many years today, and America has lost one of her finest artists. We offer our heartfelt condolences to Jimmy Cagney’s wife, Bill, and to the other members of his family.

Jimmy burst upon our movie screen with an energy and a talent we have never seen before and we will never see again. He was the best at whatever he did—a hero, a villain, a comic, or a dancer. But the versatile actor who showed us so many faces on the screen in a multitude of roles was, in pri-

vate life, a gentle man, a gentleman, and a loving husband and father. Jimmy Cagney was the classic American success story, lifting himself by determination and hard work out of poverty to national acclaim. I believe the entire Nation loved Jimmy Cagney, and I think he must have loved us, too, because he always gave us his very best.

We will miss Jimmy, but we know he has found eternal rest and peace in God’s arms. Goodbye, dear friend.



## **Statement by Principal Deputy Press Secretary Speakes on United States Actions Against Foreign Unfair Trade Practices** *March 31, 1986*

Consistent with his announcement last fall of his belief in a "free but fair" trade policy, the President today announced three new trade policy actions aimed at eliminating foreign unfair trade practices and securing open markets for American exports.

In the most significant case, the President has decided that the United States will take action against new European Community (EC) agricultural restrictions, which could affect as much as \$1 billion in U.S. farm exports. The new restrictions were recently imposed by the EC following Spain and Portugal's accession to the EC. Unless the Community rescinds its illegal quotas and promptly provides compensation for its increased tariffs, the United States will offset the new restrictions by establishing quotas and increasing tariffs on EC products entering our market.

In the first use of new authorities granted

in the Trade and Tariff Act of 1984 to address restrictive investment practices, the President has also directed U.S. Trade Representative Clayton Yeutter to initiate an investigation of Taiwan's automotive export performance requirements, which distort trade by forcing manufacturers to move a certain percentage of their production into export markets. The President has further directed Ambassador Yeutter to make fact-finding inquiries to determine whether the European Community's Third Country Meat Directive may unfairly penalize American exports of as much as \$125 million worth of meat.

The United States has been fully supportive of the enlargement of the European Community to include Spain and Portugal. We do not, however, believe that the EC should use this occasion to impose new trade barriers. Americans should not have to pay for the benefits which EC member States will enjoy.

## **Proclamation 5452—To Withdraw Preferential Treatment Under the Generalized System of Preferences for Certain Ethanol Mixtures** *March 31, 1986*

*By the President of the United States of America*

### *A Proclamation*

1. Section 504(a) of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2464(a)), provides that the President may withdraw, suspend, or limit the application of the duty-free treatment accorded under section 501 of the Trade Act, as amended (19 U.S.C. 2461), with respect to any article or with respect to any country for purposes of the Generalized System of Preferences (GSP). Section 504(a) further provides that, in the event of such withdrawal, suspension, or limitation, the rate of duty to be imposed thereafter on such arti-

cle is the rate which would apply in the absence of the preferential treatment accorded under the GSP.

2. On the basis of advice from the United States Trade Representative, and after taking into account the factors set forth in section 501 of the Trade Act, I have determined, pursuant to section 504(a) of the Trade Act, that it is appropriate to withdraw the application of duty-free treatment under the GSP to certain chemical mixtures containing ethyl alcohol (ethanol). Accordingly, the nomenclature of certain existing items of the TSUS must be subdivided and amended to provide for such withdrawal.

3. Section 604 of the Trade Act (19 U.S.C.

2483) confers authority upon the President to embody in the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) the substance of the relevant provisions of that Act, of other acts affecting import treatment, and of actions taken thereunder.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including but not limited to Title V and section 604 of the Trade Act of 1974, do proclaim that:

(1)(a) In order to withdraw benefits of the GSP for certain chemical mixtures containing ethanol the TSUS is modified as set forth in section A of the Annex to this proclamation.

(b) In order to continue the existing preferential treatment of other articles previously designated as eligible for benefits of the GSP and provided for in new items created by the Annex to this proclamation, the Rates of Duty Special column for items 407.13, 413.54, and 432.28, inclusive, shall contain the duty rate of "Free" followed by symbol "A" in parentheses, and such column for item 407.19 shall contain the duty rate of "Free" followed by the symbol "A\*" in parentheses.

(2)(a) In order to provide staged reductions in the rates of duty and to continue existing tariff treatment for products of least developed developing countries and for products of designated beneficiaries under the Caribbean Basin Economic Recovery Act for those new TSUS items created by section A of the Annex to this proclamation, Annex III to Proclamation 4707 of December 11, 1979, Annex III to Proclamation 4768 of June 28, 1980, and Annexes V, VI, and IX to Proclamation 5365 of August 30, 1985, are superseded to the extent inconsistent with this proclamation.

(b) Effective with respect to articles entered, or withdrawn from warehouse for

consumption, on or after January 1, 1987, the rates of duty set forth in the Rates of Duty 1 column in the following new TSUS items created by section A of the Annex to this proclamation shall be stricken and the rates of duty provided by section B of such Annex inserted in lieu thereof: 407.11, 407.13, 413.52, 413.54, 432.26, and 432.28, inclusive.

(c) Effective with respect to articles the product of Israel which are entered, or withdrawn from warehouse for consumption, on or after the dates specified in section C of the Annex to this proclamation, the rate of duty set forth in the Rates of Duty Special column followed by the symbol "I" in parentheses for each of the new TSUS items created by section A of such Annex shall be stricken and the rate of duty provided in section C of such Annex inserted in lieu thereof.

(3) General headnote 3(e)(v)(D) to the TSUS is modified by striking out "407.16 . . . Mexico" and by inserting in lieu thereof "407.19 . . . Mexico".

(4) The amendments made by this proclamation shall be effective with respect to articles both: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after the date of signature of this proclamation.

*In Witness Whereof*, I have hereunto set my hand this 31st day of March, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:01 a.m., April 2, 1986]

*Note: The proclamation was released by the Office of the Press Secretary on April 1. The annex to the proclamation was printed in the "Federal Register" of April 4.*

## Proclamation 5453—Amending the Generalized System of Preferences

March 31, 1986

*By the President of the United States  
of America*

### *A Proclamation*

1. Pursuant to Title V of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2461 *et seq.*), in Proclamation 5365 of August 30, 1985 (50 FR 36220), I designated specified articles provided for in the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) as eligible for preferential tariff treatment under the Generalized System of Preferences (GSP) when imported from designated beneficiary developing countries. I also designated certain such countries as least-developed beneficiary developing countries, pursuant to section 504(c)(6) of the Trade Act, as amended (19 U.S.C. 2464(c)(6)), in order to afford such preferential tariff treatment without regard to the limitations imposed in section 504(c), as amended.

2. Pursuant to section 504(c) of the Trade Act, as amended, those beneficiary countries not designated as least-developed beneficiary developing countries are subject to limitations on the preferential treatment afforded under the GSP. Pursuant to section 504(c)(5) of the Trade Act, as amended, a country which has not been treated as a beneficiary developing country with respect to an eligible article may be redesignated with respect to such article, if imports of such article from such country did not exceed the limitations in section 504(c)(1) during the preceding calendar year. Further, pursuant to section 504(d)(1) of the Trade Act, as amended (19 U.S.C. 2464(d)(1)), the limitation provided in section 504(c)(1)(B) shall not apply with respect to an eligible article if a like or directly competitive article was not produced in the United States on January 3, 1985.

3. I have determined, pursuant to section 504(a) and (c)(1) of the Trade Act, that certain beneficiary developing countries should no longer receive preferential tariff treatment under the GSP with respect to certain

previously designated eligible articles. I have also determined, pursuant to section 504(c)(5) of the Trade Act, that certain countries should be redesignated as beneficiary developing countries with respect to specified previously designated eligible articles. These countries have been excluded from the benefits of the GSP with respect to such eligible articles pursuant to section 504(c)(1) of the Trade Act. Further, I have determined that section 504(c)(1)(B) of the Trade Act should not apply with respect to certain eligible articles because no like or directly competitive article was produced in the United States on January 3, 1985.

4. Section 604 of the Trade Act (19 U.S.C. 2483) confers authority upon the President to embody in the TSUS the substance of the relevant provisions of that Act, of other acts affecting import treatment, and of actions taken thereunder.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including but not limited to Title V and section 604 of the Trade Act of 1974, do proclaim that:*

(1) In order to provide preferential tariff treatment under the GSP to certain countries which have been excluded from the benefits of the GSP for certain eligible articles imported from such countries, following my determination that a country not previously receiving such benefits should again be treated as a beneficiary developing country with respect to such article, the Rates of Duty Special column for each of the TSUS items enumerated in Annex I to this proclamation is modified: (a) by deleting from such column for such TSUS items the symbol "A\*" in parentheses, and (b) by inserting in such column the symbol "A" in lieu thereof.

(2) In order to provide that one or more countries should no longer be treated as beneficiary developing countries with re-

spect to an eligible article for purposes of the GSP, the Rates of Duty Special column for the TSUS items enumerated in Annex II to this proclamation is modified: (a) by deleting from each such item the symbol "A" in parentheses, and (b) by inserting in such column the symbol "A\*" in lieu thereof.

(3) General headnote 3(e)(v)(D) to the TSUS, listing those articles that are eligible for benefits of the GSP except when imported from the beneficiary countries listed opposite the enumerated TSUS items for those articles, is modified as provided in Annex III to this proclamation.

(4) The eligible articles imported from designated beneficiary developing countries and provided for in the TSUS items enumerated in Annex IV to this proclamation shall not be subject to the limitations of section 504(c)(1)(B) of the Trade Act, as amended.

(5) Proclamation 5365 of August 30, 1985

(50 FR 36220) is superseded to the extent inconsistent with this proclamation.

(6) The modifications to the TSUS made by this proclamation shall be effective with respect to articles both: (a) imported on or after January 1, 1976, and (b) entered, or withdrawn from warehouse for consumption, on or after July 1, 1986.

*In Witness Whereof*, I have hereunto set my hand this 31st day of March, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:02 a.m., April 2, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on April 1. The annexes to the proclamation were printed in the "Federal Register" of April 4.*

## Statement by Principal Deputy Press Secretary Speakes Endorsing Market-Oriented World Oil Prices April 2, 1986

The administration supports a market-oriented policy on world oil prices. There has been no change in administration policy or viewpoint on the declining oil prices. We believe that the way to achieve price stability is to let the free market work. While we're concerned with the effects of falling prices on oil-producing sectors of the U.S. economy, the net effect for American consumers and the American economy will be positive.

When the Vice President meets with

King Fahd in Saudi Arabia this Sunday, he will emphasize the U.S. viewpoint that market forces should establish world oil price levels. As the Vice President said yesterday, we're not going there on a price-setting mission when we ourselves favor market forces.

*Note: Larry M. Speakes read the statement to reporters at 10:33 a.m. in the Cantina Room at the Sheraton Hotel in Santa Barbara, CA.*

## **Statement by Principal Deputy Press Secretary Speakes on Defense Establishment Reforms**

*April 2, 1986*

The President has signed a directive to implement virtually all of the recommendations presented to him in the interim report of the Blue Ribbon Commission on Defense Management. The Presidential directive and separate instructions issued by Secretary of Defense Weinberger include all of the Commission's recommendations that can be implemented by executive action.

The President takes pride and satisfaction with the many reforms already started by Secretary Weinberger and stresses that the Commission recommendations should provide the basis for structural reform which would permit the Department of Defense to build upon and go beyond what has already been accomplished. The President appreciates the Commission's statement that many of their recommendations have already been started by Secretary Weinberger. This was one of the factors that encouraged the Commission and gave them confidence that their proposals would be implemented.

The President also is indebted to David Packard, the Commission's Chairman, and the Commission for their excellent work. The recommendations of the Commission are among the most extensive reforms of the Defense Establishment since World War II. The Packard commission will continue to advise the President and Secretary Weinberger during the process of implementing the report. The President expects the Commission to elaborate on its interim recommendations by issuing additional reports prior to its final report this summer.

In signing the necessary directives to implement the Commission's recommendations, the President noted that he will send a formal message to the Congress asking for Congress to join him in implementing the Commission's recommendations. He will call on the Congress to help in the implementation of executive branch reform and also to make the important congressional reforms outlined by the Commission. The President is pleased that the Congress has begun to take the first steps in this process.

## **Statement by Principal Deputy Press Secretary Speakes on the Terrorist Bombing of Trans World Airlines Flight 840**

*April 3, 1986*

The President condemns the attack on innocent air travelers aboard TWA flight 840 as a barbaric action of wanton international terrorism. He has directed all appropriate resources of the United States Government to assist in finding those responsible. Neither the United States or the world community can cease our efforts to bring to justice those who perpetrate and support such actions.

On the basis of the information now available to this government, this appears to be the act of a terrorist who placed an explosive device aboard the TWA flight. Four

innocent air travelers, all U.S. citizens, were killed. A number of others were injured. Although a group calling itself the Arab Revolutionary Cell has claimed responsibility for placing the bomb aboard the aircraft, we have not ruled out any terrorist group, organization, movement, or individual as a potential perpetrator. Until all the facts are determined, we will not speculate on who may be responsible.

*Note: Larry M. Speakes read the statement to reporters at 10:35 a.m. in the Cantina Room at the Sheraton Hotel in Santa Bar-*

*bara, CA. The explosion occurred at 6:25 a.m. e.s.t. while the airplane was en route from Rome to Athens.*

## **Radio Address to the Nation on Defense Establishment Reforms *April 5, 1986***

### ***My fellow Americans:***

I will soon send a message to the Congress asking your Senators and Representatives to join me in reforming the Defense Establishment. That includes my office, the Defense Department, the Congress, and industry. The changes our administration will request are based upon the recommendations made in February by the Packard commission, a bipartisan group that spent months studying ways to give our nation stronger defenses more economically.

Earlier this week I ordered implementation of those recommendations that can be made without congressional action. Now, with congressional support, we'll be able to put into effect perhaps the most thoroughgoing reform of our Defense Establishment since 1958. This new effort takes place against a background of national defenses that have already grown much stronger. When we first took office, we inherited a navy that had shrunk from nearly 1,000 ships to less than 500 and planes that couldn't fly for want of spare parts. My predecessor had called attention to this and had proposed a 5-year expansion of the defense budget. Well, now our rebuilding program has added ships to the fleet, put planes back in the air, and, perhaps most important, boosted the morale of our men and women in uniform by giving them the training and pay they deserve. Much still needs to be done, but today the United States has substantially reestablished the strength and self-confidence it needs to perform its role as the leader of the free world.

As we rebuild our strength, we've made strides in marshaling the defense resources of the Nation with increased efficiency. Before we came into office, the costs of major systems had been escalating at an annual rate of 14 percent. With lower inflation, Defense Secretary Weinberger got

that crazy spiral under control. Indeed, for the last 2 years cost increases have fallen to less than 1 percent. That's lower than the rate of inflation. This one achievement alone has saved billions of dollars. Yet, despite these successes, Secretary Weinberger and I knew at the beginning of our second term that still more needed to be done.

So, last summer I appointed a bipartisan commission to study the management of our defenses. To chair the commission I chose Dave Packard, an entrepreneur who started a company that had become one of our country's leaders in high technology, famous the world over for its management techniques and efficiency. He was joined by 16 outstanding Americans, Republicans and Democrats, who represent the best of the business, defense, and academic communities. In February the Packard commission submitted its recommendations. Now the time has come to put them into effect. Some recommendations can be acted upon without congressional approval, and under Secretary Weinberger's leadership this is taking place.

This week I signed a directive that will enhance coordination between the two sides of the Pentagon budget process: the one that says what we need and the one that says what we can afford. In addition, the Pentagon is streamlining its large procurement structure, and it will begin to give experienced managers more leeway for using their own good judgment in the purchasing process. But certain steps that would make the Department of Defense even more shipshape can take place only with congressional approval. You know, it's as if the Pentagon can swab the decks on its own, but only the Congress can grant permission to polish the brasswork. Well, it's to get this permission that I'm sending my message to Capitol Hill.

The Packard commission report urges the Congress to make a number of improvements in the way it deals with defense. The commission suggests, for example, that the Congress move from a 1-year to a 2-year budget cycle. It also urges the Congress to better focus its consideration of defense matters. Today there are some 40 congressional committees and subcommittees, each of which has some jurisdiction over defense. And the Packard commission points out that many of these committees duplicate each other's efforts.

And friends, we can all agree with the Packard commission: There must be a better, more efficient way. Other recommendations that Congress must approve include moving from year-to-year to multi-year procurements of weapon systems in

order to make the acquisition process more stable; the rewriting of procurement laws to eliminate redtape; and the budgeting of major programs according to milestones within the programs themselves, not the dictates of the calendar year. In the coming weeks the Congress will have before it proposals that would both strengthen our defenses and make the Department of Defense, itself, more completely the servant of the American people. The Packard commission has made its recommendations; now it's time for the administration and the Congress to act upon them.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 9:06 a.m. from his ranch in Santa Barbara County, CA.*

## **Statement by Principal Deputy Press Secretary Speakes on the Terrorist Bombing of a West Berlin Nightclub**

***April 5, 1986***

First of all, the President is deeply concerned about the increasing number of terrorist incidents that are affecting Americans in Europe and worldwide. He has instructed his top administration officials to stay on top of it, to provide him with an early assessment of the latest outbreak this week and to—I think that's about all we ought to say. Certainly the President expresses his condolences to the families, and he wants to see that we do everything possible first to apprehend and prosecute those who are responsible specifically and those who perpetrate these types of incidents.

The second thing he wants to do is to take every measure in concert with the allies in order to prevent terrorist incidents.

He believes that it is a worldwide problem and that every nation has a stake in this and every nation must do its part to prevent terrorism and to isolate those, condemn them, and to bring an end to these individuals, groups, or nations, in some cases, who sponsor terrorism.

*Note: Larry M. Speakes read the statement to reporters at 10:03 a.m. in the Cantina Room at the Sheraton Hotel in Santa Barbara, CA. The bombing occurred at 8:50 p.m. e.s.t. at the discotheque La Belle Club. An American serviceman and a Turkish woman were killed, and 204 persons, including 64 Americans, were injured.*

## Proclamation 5454—World Health Week and World Health Day, 1986

April 7, 1986

*By the President of the United States  
of America*

### *A Proclamation*

World Health Day, which marks the founding of the World Health Organization, serves to remind us that good health is a priceless treasure and that recent advances in the sciences of medicine, nutrition, hygiene, public health, and immunology make the possession of that treasure possible for more people than ever before.

The theme for World Health Day 1986, "Healthy Living: Everyone a Winner," emphasizes the positive steps that individuals and communities can take to protect and promote health. In furtherance of the global goal of Health for All by the Year 2000, the World Health Organization and its member governments are stressing the benefits that come from healthful patterns of living, with particular attention to exercise, nutrition, and the avoidance of such destructive habits as smoking and the abuse of alcohol and drugs.

In recent years, health leaders and private physicians in the United States have emphasized how much each person can do to maintain good health by a regimen of good diet, proper exercise, and the avoidance of substance abuse. This campaign is beginning to bear fruit, and the United States is experiencing encouraging reductions in the incidence of heart disease and stroke.

It is appropriate that as all member gov-

ernments commemorate World Health Day, we should join other members of the World Health Organization in promoting healthful living and physical fitness and in pledging our continued support to improving the health of all the people who inhabit this planet.

The Congress, by Senate Joint Resolution 226, has designated the week of April 6 through April 12, 1986, as "World Health Week," and April 7, 1986, as "World Health Day," and has authorized and requested the President to issue a proclamation in observance of these events.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of April 6 through April 12, 1986, as World Health Week, and April 7, 1986, as World Health Day. I call upon the people of the United States to observe this week with appropriate programs and activities and by resolving to attend to personal health through good nutrition, appropriate physical exercise, and the avoidance of such unhealthful practices as smoking and abuse of alcohol and drugs.

In Witness Whereof, I have hereunto set my hand this seventh day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:58 a.m., April 8, 1986]*

## Appointment of Two Members of the President's Export Council April 7, 1986

The President today announced his intention to appoint the following individuals to be members of the President's Export Council:

*Paul Robert Locigno*, of Virginia. He would succeed Henry Zenzie. Mr. Locigno is director, office of government affairs for the International Brotherhood of Teamsters, 1983 to the present. He graduated from Case Western Re-



serve University (B.A., 1976). Mr. Locigno resides in Lorton, VA, and he was born September 17, 1948, in Cleveland, OH.

*Marina Von Neumann Whitman*, of New Jersey. She would succeed Robert G. Schwartz. Dr. V.N. Whitman is vice president and chief econ-

omist with General Motors Corp., 1979 to the present. She graduated from Radcliffe College (B.A., 1956) and Columbia University (M.A. and Ph.D.). She is married, has two children, and resides in Princeton, NJ. Dr. V.N. Whitman was born March 6, 1935, in New York, NY.

## **Nomination of Richard J. Fitzgerald To Be a Member of the Board of Trustees of the Harry S. Truman Scholarship Foundation**

*April 7, 1986*

The President today announced his intention to nominate Richard J. Fitzgerald to be a member of the Board of Trustees of the Harry S. Truman Scholarship Foundation for a term expiring December 10, 1991. This is a reappointment.

Judge Fitzgerald has been serving on this Board since 1982. He is currently the pre-

siding judge of the criminal division of the circuit court of Cook County. Judge Fitzgerald graduated from St. Louis University School of Law. He is married, has two children, and resides in South Holland, IL. He was born January 23, 1914, in Hammond, IN.

## **Proclamation 5455—Cancer Control Month, 1986**

*April 7, 1986*

*By the President of the United States of America*

### *A Proclamation*

This Nation's investment in basic cancer research has led us to an unprecedented understanding of the cancer cell. With this new knowledge, we are undertaking major efforts to prevent cancer; to reverse the process once it starts; to find ways to activate the body's own immune system; and to treat the disease and its symptoms more effectively.

Our scientists are giving us an abundance of new information about behavior and precautions we can take to help protect us against cancer.

Much evidence suggests that diets high in fiber and low in fat may reduce cancer risk. We can adopt a daily diet high in fiber by choosing plenty of fresh fruits, vegetables, and whole-grain breads and cereals. We can reduce animal fat intake by choosing low-fat and lean foods, and by using low-fat cooking methods.

Smoking-related cancers are the most preventable. This past year, new data showed that the incidence of lung cancer in white men decreased significantly for the first time in at least half a century. This decrease comes 20 years after men began to stop smoking in substantial numbers. This proves that individuals can successfully reduce their cancer risk by not smoking.

This message is especially important for women, whose rates of lung cancer show no signs of leveling off or decreasing. In fact, lung cancer is expected to surpass breast cancer this year as the leading cause of cancer deaths among women. Rates of lung cancer are also high for black men.

The growing popularity of smokeless tobacco products among our youth, particularly teenage boys, is of great concern. Early this year, medical experts concluded that there is strong evidence that such forms of tobacco cause cancer of the mouth.

Some promising findings this year give new hope to cancer patients. Scientists re-

ported a totally new approach to cancer treatment, an approach that activates the immune system to destroy cancer cells in some patients. Extensive studies are underway to refine and perfect the treatment so that it can become widely available as soon as possible.

We have set as a national goal reduction of the national cancer death rate by one-half of its 1980 level by the year 2000. This can be achieved through the active involvement of all Americans.

In 1938, the Congress of the United States passed a joint resolution (52 Stat. 148; 36 U.S.C. 150) requesting the President to issue an annual proclamation declaring April to be Cancer Control Month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of April 1986 as Cancer Control Month. I invite the Governors of the fifty States and the Common-

wealth of Puerto Rico, and the appropriate officials of all other areas under the United States flag, to issue similar proclamations. I also ask the health care professionals, communications industry, food industry, community groups, women's organizations, and all other interested persons and groups to unite during this appointed time to reaffirm publicly our Nation's continuing commitment to control cancer.

*In Witness Whereof*, I have hereunto set my hand this seventh day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:28 p.m., April 8, 1986]

*Note: The proclamation was released by the Office of the Press Secretary on April 8.*

## Proclamation 5456—National Organ and Tissue Donor Awareness Week, 1986 April 7, 1986

*By the President of the United States of America*

### *A Proclamation*

Today, many Americans are working, attending school, caring for families, or resuming normal life in their communities after receiving a transplanted organ or other tissue. But many others still wait for such transplants in order to improve or even save their lives.

The need for donors far surpasses the supply. Current medical technology enables the transplantation of organs and tissues including kidney, heart, heart-lung, lung, liver, pancreas, skin, cornea, bone, and bone marrow. But the greatest obstacle to making these life-sustaining and life-saving transplants possible is the shortage of donors.

All Americans must know what they can do to consent to become organ and tissue

donors. By completing a uniform donor card and carrying it at all times, anyone can give the gift of life to people in desperate need of organs and tissues for transplantation. It is especially important for would-be donors to make their intentions known to family members, so that appropriate action can be taken promptly when the time comes.

Americans are a caring and giving people, so it is fitting that we as a Nation should encourage organ and tissue donation and increase public awareness of the possibilities and the need. I ask every American to consider organ and tissue donation, and I ask the media to assist in informing the public of the great need that exists. Together, we can make organ and tissue donation another expression of American generosity.

The Congress, by Public Law 99-203, has designated the week beginning April 20 through April 26, 1986, as "National Organ

and Tissue Donor Awareness Week” and authorized and requested the President to issue a proclamation in observance of this occasion.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim April 20 through April 26, 1986, as National Organ and Tissue Donor Awareness Week. I urge all health care professionals, educators, the media, public and private organizations, and all Americans to join me in promoting greater and more widespread awareness and acceptance of this humanitarian practice.

*In Witness Whereof*, I have hereunto set my hand this seventh day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:29 p.m., April 8, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on April 8.*

### **Appointment of Jay B. Stephens as Deputy Counsel to the President *April 8, 1986***

The President today announced the appointment of Jay B. Stephens to be Deputy Counsel to the President. He will succeed Richard A. Hauser.

Since 1985 Mr. Stephens has been an Associate Deputy Attorney General, Department of Justice. Prior to the above appointment, he served as Deputy Associate Attorney General (1983–1985); Special Counsel to the Assistant Attorney General, Criminal Division (1981–1983); Assistant United States Attorney for the District of Columbia (1977–1981); Associate General Counsel, Overseas Private Investment Corporation

(1976–1977); Assistant Special Watergate Prosecutor, Watergate Special Prosecution Force, Department of Justice (1974–1975); and an associate with the law firm of Wilmer, Cutler & Pickering (1973–1974).

Mr. Stephens was graduated from Harvard College receiving an A.B. in 1968. He was the recipient of the Frank Knox Memorial Fellowship to Oxford University (New College), Oxford, England (1968–1969). In 1973 he earned a J.D. degree from Harvard Law School. He was born November 5, 1946, in Akron, IA.

### **Appointment of C. Christopher Cox as Senior Associate Counsel to the President *April 8, 1986***

The President today announced the appointment of C. Christopher Cox to be Senior Associate Counsel to the President. He will succeed David B. Waller.

Since 1984 Mr. Cox has been a partner with the law firm of Latham & Watkins in Newport Beach, CA. Prior to that time he was a lecturer on business administration at Harvard Business School (1982–1983); an associate at Latham & Watkins (1978–1982);

and a clerk to the Honorable Herbert Y.C. Choy, United States Circuit Judge for the Ninth Circuit Court of Appeals.

Mr. Cox graduated from the University of Southern California with a B.A. in 1973. In 1977 he earned a M.B.A. degree from Harvard Business School and a J.D. degree from Harvard Law School, where he was on the Harvard Law Review. He was born October 16, 1952, in St. Paul, MN.

## **Appointment of Robert M. Kruger as Associate Counsel to the President**

*April 8, 1986*

The President today announced the appointment of Robert M. Kruger to be Associate Counsel to the President. He will succeed John G. Roberts, Jr.

Since 1982 Mr. Kruger has been an associate in the Los Angeles and Washington

offices of Gibson, Dunn & Crutcher. He graduated from Cornell University (B.A., 1979) and the University of Pennsylvania Law School (J.D., 1982). He is married and resides in Chevy Chase, MD. He was born May 7, 1957, in Passaic, NJ.

## **Appointment of Alan Charles Raul as Associate Counsel to the President**

*April 8, 1986*

The President today announced the appointment of Alan Charles Raul to be Associate Counsel to the President. He will succeed Deborah K. Owen.

Since 1981 Mr. Raul has been an associate in the New York and Washington offices of Debevoise & Plimpton. From 1980 to 1981, he was a law clerk to the Honorable Malcolm R. Wilkey, U.S. Court of Appeals for the District of Columbia Circuit. In addition,

Mr. Raul also was a consultant to the Reagan-Bush '84 campaign in New York.

Mr. Raul was graduated from Harvard College receiving an A.B. degree in 1975. In 1977 he earned a M.P.A. degree from Harvard University, Kennedy School of Government, and in 1980 a J.D. degree from Yale Law School. He was born September 9, 1954, in the Bronx, NY.

## **Statement by Principal Deputy Press Secretary Speakes on Negotiations Between the Contadora Group and Nicaragua**

*April 8, 1986*

We made note of Nicaragua's intransigence there in negotiations. It is regrettable that Nicaragua has not engaged in serious negotiations in Panama City with the Contadora countries. It is clear that other Central American countries were prepared to have serious discussions. The Nicaraguans refused to take part in constructive talks. We note that the communique gives Nicaragua another week to reconsider its position. It is also interesting to note that the

behind-the-scenes role of Cubans in advising the Nicaraguan delegation has come to light.

*Note: Larry M. Speakes read the statement to reporters at 9:20 a.m. in the Briefing Room at the White House. The Contadora group was formed in 1983 to facilitate regional peace efforts in Central America. Its original members were Colombia, Venezuela, Panama, and Mexico.*

## **Nomination of Edward C. Aldridge, Jr., To Be Secretary of the Air Force**

*April 8, 1986*

The President today announced his intention to nominate Edward C. Aldridge, Jr., to be Secretary of the Air Force. He would succeed Russell A. Rourke.

Mr. Aldridge currently serves as Under Secretary of the Air Force, a position he has held since 1981. He was vice president, strategic systems group of the System Planning Corp. (1977-1981). Previously, Mr. Aldridge served on the staff of the Secretary of Defense as Director, Planning and Evaluation (1976-1977), and as Deputy Assistant Secretary of Defense (Strategic Programs) in 1974-1976. Mr. Aldridge was a Senior

Management Associate in the Office of Management and Budget (1973-1974); manager of advanced concepts for LTV Aerospace Corp. (1972-1973); Director, Strategic Defense Division, Office of the Secretary of Defense (1967-1972); and manager, missile and space division, Douglas Aircraft Co. (1961-1967).

Mr. Aldridge graduated from Texas A&M University (B.S., 1960) and Georgia Institute of Technology (M.S., 1962). He is married, has four children, and resides in Vienna, VA. Mr. Aldridge was born August 18, 1938, in Houston, TX.

## **Nomination of Paul H. Nitze To Be United States Ambassador at Large**

*April 8, 1986*

The President today announced his intention to nominate Paul H. Nitze, of the District of Columbia, as Ambassador at Large.

Mr. Nitze was an accountant with Container Corporation of America in Bridgeport, CT, from 1928 to 1929; and vice president of Dillon, Read and Co., in New York, NY, from 1929 to 1938 and also from 1939 to 1941. From 1938 to 1939, he was president of P.H. Nitze and Co. in New York City. He was Coordinator of Inter-American Affairs at the Department of State in Washington, DC, from 1941 to 1942. He was Chief of Bureau of the Board of Economic Warfare (1942-1943), Director of Bureau of the Foreign Economic Administration (1943-1944), and Director of the Policy Planning Staff at the Department of State (1946-1953). From 1953 to 1961, he was president of the Foreign Service Educational Foundation in Washington, DC. He was Assistant Secretary of Defense for International Security Affairs (1961-1963), Secre-

tary of the Navy (1963-1967), Deputy Secretary of Defense (1967-1969), and a member of the United States delegation to the strategic arms limitation talks (1969-1974). From 1974 to 1981, he was a self-employed consultant in Washington, DC. Since 1981 he has been with the United States Arms Control and Disarmament Agency as head of the United States delegation, Intermediate-range Nuclear Forces, with the rank of Ambassador (1981-1984); and since January 1984 he has been Special Representative for Arms Control and Disarmament Negotiations, with the rank of Ambassador. He has also been adviser to the President and Secretary of State on arms control matters. His foreign languages are German and French.

Mr. Nitze graduated from Harvard University (A.B., 1928). He is married to the former Phyllis Pratt, and they have four children. He was born January 26, 1907, in Amherst, MA.

## Nomination of Jean McKee To Be a Member of the Federal Labor Relations Authority

*April 8, 1986*

The President today announced his intention to nominate Jean McKee to be a member of the Federal Labor Relations Authority for the remainder of the term expiring July 1, 1989. She would succeed William J. McGinnis, Jr.

Ms. McKee has been Executive Director of the Federal Mediation and Conciliation Service, since 1983. Previously, she was the director of government relations for the General Mills Restaurant Group, 1980-1983; a member of the President's Advisory Commission on Public Diplomacy in 1979;

and chief of staff for the minority leader of the New York State Assembly in 1978. In 1976 Ms. McKee served as the Deputy Administrator of the American Revolution Bicentennial Administration in Washington, DC, and succeeded John W. Warner as Administrator through June 1977. She served on the staff of former Senator Jacob K. Javits from 1967 to 1975.

Ms. McKee graduated from Vassar College (B.A., 1951), is single, and resides in Washington, DC. She was born June 20, 1929, in New Haven, CT.

## Appointment of Four Members of the President's Commission on Executive Exchange

*April 8, 1986*

The President today announced his intention to appoint the following individuals to be members of the President's Commission on Executive Exchange for terms of 2 years. These are new positions.

*Secretary of Defense Caspar W. Weinberger*, of California.

*Robert A. Beck*, of New Jersey, is chairman of the board and CEO of Prudential Insurance Company of America in Newark, NJ. He graduated from Syracuse University (B.S., 1950), is married, and has five children. Mr. Beck was born October 6, 1925, in New York, NY.

*Donald J. Devine*, of Maryland, is consulting director of Campaign America in Alexandria, VA. He graduated from St. John's University (B.B.A., 1959), City University (M.A., 1965), and Syracuse University (Ph.D., 1967). Mr. Devine is married and has four children. He was born April 4, 1937, in Bronxville, NY.

*Constance J. Horner*, of the District of Columbia, is Director, Office of Personnel Management. She graduated from the University of Pennsylvania (B.A., 1964) and the University of Chicago (M.A., 1967). Mrs. Horner is married and has two children. She was born February 2, 1942, in Summit, NJ.

## Remarks and a Question-and-Answer Session With the American Society of Newspaper Editors

*April 9, 1986*

*The President.* I am delighted to have this opportunity to be with all of you today. I know the purpose of this get-together is some back-and-forth between us, so I'll try to keep my remarks short. But this is a very

influential group, and what politician worth his salt would give up the chance to make a few points to you this morning?

It reminds me of a story that my friend Punch Sulzberger tells about the time he

had lunch at the White House. That evening he went home and called his mother, who, as you know, is the most remarkable woman. And he said to her, "Mother, today I had lunch at the White House with the President of the United States, the Vice President of the United States, and the Secretary of State." "Yes, dear," his mother said dryly, "and what did they want?" [*Laughter*]

I didn't want this opportunity to go by without pointing to some of the enormous changes that we've seen in American politics during this decade. I don't have to remind those of you who report and edit the news of the scope of this change, but I do think it's a good idea now and then to take a moment and reflect on the meaning of that change and gain some perspective on a decade that is now more than half over. I'm sure you all remember that when we took office in 1981, we faced appalling economic conditions, and that's not to mention the crisis of confidence in America's military strength and her international prestige. Our program for economic recovery was much criticized, and getting it through the Congress was the first of many tough struggles to come. We also faced opposition to our efforts to restore America's military strength and carry out a foreign policy that pursued peace while it also sought to halt Soviet expansionism and expand the borders of freedom.

Much of this opposition was understandable. A number of the people in policy and opinionmaking circles had trouble dealing with the new ideas that we brought to Washington. As Bill Buckley once put it: "Though liberals do a great deal of talking about hearing other points of view, it sometimes shocks them to learn that there are other points of view." But despite the parochialism of some of our critics, our programs, with the support of the American people, gain passage. I think the results achieved thus far with the revitalization of the economy, our military strength, and the restoration of our international prestige bear out the merit of our conservative ideas.

A few years back, our simple efforts to get some aid to El Salvador so a democratic government could be firmly established

there met with fierce opposition. But thanks in no small part to the Salvadoran people who braved guerrilla threats and gunfire to march to the polls, we prevailed; and so did the dream of democracy. My favorite story is of an elderly woman standing in line waiting hours to vote in the hot sunshine in that first El Salvador election. And she had been hurt by the guerrillas because of her determination to vote, and they had told her that they would kill her and her friends if she went on and voted. And she said, "You may kill me, and you may kill my family, my friends; you can't kill us all." And so she went in defiance of them and stood and voted. I can't help but mention the Grenada operation also in connection with these things. It was hardly under way when some of our critics took to the airwaves to denounce our efforts there as "rampant militarism." But just as the people of El Salvador spoke out in their own way, so, too, our medical students and the people of Grenada provided all the eloquent rebuttals that were needed.

In a curious way, though, being wrong about the issues, whether it's the economy or Central America, doesn't seem to discourage our critics. I'd hardly gotten through my televised address asking support for the freedom fighters in Nicaragua, when some voices were questioning some of the charges I made against the Sandinista regime. For example, that the Sandinistas engaged in vicious acts of anti-Semitism, and that they'd been deeply involved in the illicit drug trade. Well, again, fortunately, some of the doubters were quickly rebutted. The Anti-Defamation League of B'nai B'rith quickly issued a strong statement confirming the truth of what we said about the persecution of Jews in Nicaragua. And on the illicit drug-trafficking charge, I was grateful to a number of publications for editorially outlining the depth and extent of the evidence against the Sandinistas. A massive report by the President's Commission on Organized Crime on the international drug trade, for example, discussed the Sandinistas' participation in the drug trade.

Extremely persuasive testimony has also come from Alvaro Baldizon, the former chief investigator of the special investiga-

tions commission of the ministry of interior in Nicaragua. And by the way, besides his descriptions of what he learned about the Sandinistas' involvement in the drug trade, Senor Baldizon's testimony called "Inside the Sandinista Regime: A Special Investigator's Perspective." This is a richly detailed, harrowing look at the Sandinista regime. It's been published by the State Department, and I recommend it to you. I think your readers would be intrigued by his revelations, especially his portrait of Sandinista leaders like Interior Minister Tomás Borge and that gentleman's often successful attempts to mislead visiting dignitaries.

I hope you'll permit me one other recommendation. Jaime Chamorro, the editor of *La Prensa*, the heavily censored but last remaining nongovernment newspaper in Managua, recently wrote an article for the *Washington Post*. He put it quite plainly. He said the Sandinistas are transforming the Nicaraguan revolution, fought for by all Nicaraguans, into a revolution that serves the purposes of Marxism-Leninism. And he went on to say the Sandinistas want to use his country as—and I'm quoting—"a beachhead for Communist expansion." He said they were filling Nicaragua with "internationalists whose aims are the expansion of Communist influence and Soviet domination in the region." And he adds, "When Latin America or much of Latin America is under the influence of the Eastern bloc, NATO will no longer be in Europe; it will be in San Antonio, Texas." You know—he said that. I'm just quoting. [Laughter]

You know—a number of people here in Washington have said that we can win the support for the freedom fighters only on the strength of the national security issue. Well, I agree with Senor Chamorro that the national security issue is very important; but, you know, sometimes I think Washington people forget that self-interest doesn't really count as much with the American people as it does in this town. But I think you know that over the long run, the American people are a little more enlightened than that; that they respond readily to what's right and what's wrong, what's good and bad, and not just "what's in it for me?" I think that's why support for the freedom fighters is growing in this country.

The American people are just now getting the facts about the Sandinista regime: its atrocities against groups like the Miskito Indians; its persecution of Jews and Christians; the verbal attacks on Cardinal Obando, whom we intend to prevent from becoming the Cardinal Mindszenty of this hemisphere. And the list goes on. The savageness and inhumanity of this regime is a story that is waiting to be told.

We know now that the Cubans knew and approved of Sandinista plans for their recent incursion into Honduras and that each day's delay in assisting the freedom fighters increases the chances of a permanent Soviet beachhead of aggression on the North American mainland. The Sandinistas, the Cubans, and the Soviets want a military, not a political, solution to the problem of Central America. And that's why it's imperative for the House of Representatives to approve the legislation recently passed by the Senate, legislation that provides the freedom fighters with our full aid package, especially the defensive weapons they need to protect themselves.

Now, that's been enough of a monolog, and I understand there's a dialog in the offing. So, Mr. Chairman—

*Mr. Clark.* Thank you very much, Mr. President. We will have questions from the floor. Let me remind you that members only will ask questions, and please state clearly your name and your newspaper affiliation so that not only the others in the hall but the President can understand who you are.

I'll recognize the questioners, and some I'll recognize—Dick Smyser, Dick?

*Former President Marcos of the Philippines*

*Q.* Mr. President, I'm Dick Smyser, from the Oak Ridger in Oak Ridge, Tennessee. President Marcos said during his interview with Ted Koppel [ABC News] last Thursday night that in effect he was doublecrossed. He said that all of a sudden the administration would not answer his telephone calls. He said that when he went to Clark Air Force Base he thought he was going elsewhere in the Philippines, and it was only after he was on the plane that he learned that he was going to Guam. Would you



comment on his accusations?

*The President.* I think that my friend, Mr. Marcos, has been misinformed by some. As a matter of fact, I had a personal representative that was meeting with him quite consistently. Our only practice, or what we did during that entire time, was to try and see that the Philippines, which historically the Filipino people have been our close friends—that this did not degenerate into civil war. And when he himself publicly announced his refusal to order the army to fight, we were very pleased with that, and I thought it was very worthy of him that he did that. And this was all, that we just wanted to see that there would be no civil war. And we respect him for his willingness to leave the island. But as far as we knew, he was aware that his destination when he left the palace was Clark Field.

*Q.* And you're in effect saying that President Marcos misspoke himself or stated a falsehood when he said he thought he was going to somewhere else in the Philippines?

*The President.* I think maybe he was misinformed. [Laughter] Happens to every President. [Laughter]

*Mr. Clark.* Over here on my left.

#### Nicaragua

*Q.* Heath Merriwether, with the Miami Herald. Mr. President, diplomatically you've said you supported the Contadora peace initiative in Central America. Yet those nations of the Contadora pact have said that they don't think that aid to the *contras* will help their efforts. How do you resolve the contradiction between support of the Contadora initiative and your own push for aid to the *contras*?

*The President.* Well, we may disagree on whether it is necessary now to give this, of course—and we do believe it is necessary, and I'm wondering if their view would not be the same about help to the *contras* in view of what just happened in the last meeting. Because once again—and we have subscribed to their goals that they have put down as to what it is they're trying to achieve. And they know that we fully subscribe to them. But in its last meeting, it was Nicaragua, once again, the Sandinista government, that refused the proposals of Contadora and walked out. So, maybe now

they'll join us in believing that there's going to have to be some pressure put on the Sandinista government to make it return to the goals of the revolution against the Somoza regime.

They announced publicly goals and informed the Organization of American States what their revolutionary goals were; and they were democracy, a pluralistic society, freedom of press, religion, freedom of speech, observance of human rights, and the right of the people to choose their own government. And that's what is at issue. The Sandinistas were only part of that revolution. And they ousted their revolutionary companions, who are mainly now the *contras*. Once the revolution succeeded, they took over and have established a totalitarian Communist state. And we think they're not going to—when have we ever seen a Communist government that has achieved that totalitarian statehood—when have we ever seen them voluntarily and without some pressure or force give up their power? So, we believe that arming the *contras* is necessary. And I hope maybe now the Contadora will agree with us.

*Mr. Clark.* Don, on the right here.

#### World Oil Prices

*Q.* Don James, Wichita Falls Times and Record News. Mr. President, the free-fall in oil prices is concerning a lot of people, particularly with respect to what it will do for exploration. Do you have any concerns about the long-term effect of a virtual halt in exploration for oil on the national security?

*The President.* Well, yes, and we hope that this whole thing will stabilize very quickly. We're concerned lest some major producers in other parts of the world might start playing games with this, as if in an effort to eliminate competition. And if they have such ideas—I don't know that they do—but if anyone does and has such an idea, of course, they would be looking forward to a time when they could then skyrocket the prices on a kind of monopoly basis. But we still believe in the free market. We know that it now is a hardship for the oil-producing regions and industry here in America.

At the same time, we can't deny that it has been of great benefit to the rest of industry in America; to our productivity, because of the importance of energy as a part of production; and a benefit to our citizens with the lower prices. But I hope that the free marketplace can adjust. I'm resistant to the idea of government trying to inject itself and, through regulation and so forth, bring about a change because that never has worked. I have always stated that the nearest thing to eternal life we'll ever see on this Earth is a government program. [Laughter]

Q. Thank you, sir.

Mr. Clark. Bill.

#### *Press Coverage of Military Operations*

Q. Bill Ketter, from the Patriot Ledger in Quincy, Massachusetts. Mr. President, as you know, the members of ASNE and the press in general were concerned when the press was excluded from the Grenada invasion some time ago. After that we worked out this situation with the Defense Department where we had these practice pools where reporters would be able to go with the military in these exercises. And recently in the Libyan encounter in the Gulf of Sidra there were six journalists that were on the U.S.S. *Saratoga* as part of a press pool, but when the military encounter began they were removed from the ship and flown back to Rome and were not even made aware of the fact that there was a military encounter going on in the Gulf of Sidra. I'd like to know if you can give us an explanation as to why the reporters were removed from the ship and if you could restate your attitude on reporters covering military encounters involving the United States?

*The President.* Well, with the Grenada situation we had found out how leaky Washington is in a number of things. We realized that for the safety of our men that that operation had to be top secret. It came about with a direct request to us from the other Caribbean island nations—that they didn't have the power and asked us. As a matter of fact, at about 3 o'clock in the morning it was relayed to me. If George Shultz ever asks you for a quiet weekend of golf at Augusta, don't take him up on it.

[Laughter] That's where I was awakened. And I knew that we had to accede to their request. And we only had 48 hours to put this operation together, and we feared very definitely that any leak would result in higher casualties for our forces. We immediately—that we had landed—as you know, then did provide the transportation and make possible the bringing in of the press.

On this latest one that you are asking about, I was not aware of those six being taken off. Once there were hostilities, we started trying to round up the press in Italy. But this—in response to the reports that we deliberately went in there as a provocation—that was the seventh such maneuver, war games, you may want to call them, that we have conducted in that same area. And we knew that we were risking it—knowing the nature of Qadhafi—that there might possibly be something. And I've always had one order any place we ever sent our personnel. I declared to the Navy that it was my policy that if hostilities were launched against them—we'll never send American military personnel without the right to fight back and fire back if they're fired upon. So, that was the only rule that was in there. But we went in on what had been planned for months and months. And there will probably be another such maneuver next year.

And then, when the hostilities—when they did launch the attack against us, why, it was my understanding that then, following that, and when it did become an operation, that we tried to round up the press and so inform them and make available to them the news.

Q. Well, it's our information that the six reporters or six journalists were removed from the ship and were not told about the military encounter that was going to occur once the ship went across the Line of Death [Latitude 32° 30', which Libya claimed as the boundary of its territorial waters]. But are you saying that you think the press should accompany the military on all of its encounters?

*The President.* Yes, and we have had such a policy. But I think also that you must understand where we believe that there is an operation where secrecy is so all-important that you give us the right to protect

ourselves against a leak of information. And that leak does not necessarily come from you. We've found that the White House is the leakiest place I've ever been in. [Laughter] So, you'd be surprised how few people knew that we were planning that operation. Not even our Press Secretary knew. Not that he's the leaker; we just kept it that close—[laughter].

Q. Well, we'd like to be there for the leaks. [Laughter]

The President. But I'm going to look into what you said about the six.

Mr. Clark. Right here in front.

### International Terrorism

Q. Mr. President, Randy Hatch, from Ogden, Utah, the Ogden Standard Examiner. After increasing terrorism and incidents of terrorism and reviewing all of the options available, do you have a specific plan of dealing with terrorism in the future now?

The President. Well, we're taking very serious—as I've said, we're not going to just sit here and hold still. We're trying to work with our allies, and we've been successful in part with regard to cooperation in intelligence matters. Last year, thanks to that cooperation between our countries, we were able to abort 126 planned terrorist attacks throughout the world. And we're continuing to try and get more support now for action that would be appropriate in view of the greater threats that are being uttered of terrorist activities. And right now, with the most recent activities, I can't get specific with you, because I can only tell you that we are investigating and trying to gather all of the information we can so that we can actually, with solid evidence, point a finger at who is responsible.

Q. Can you indicate if it might be Mr. Qadhafi?

The President. Let us say he is definitely a suspect. [Laughter]

Q. Thank you.

Mr. Clark. Over here on the right.

### President's Media Image

Q. Mr. President, I'm David Corcoran, from the Record of Hackensack, New Jersey. A personal question, if I may. I think Americans overwhelmingly regard you as a nice guy, and yet in your talk today and in

talks around the country you have denounced your critics and liberals and the previous administration in a language that I think is unusually harsh for a President in the sixth year of what's overwhelmingly considered to be a very successful administration. Can you tell us, sir, why, at this stage of your Presidency, you find it necessary to engage in such attacks?

The President. Well, now, my quoting of Bill Buckley and his line—is that what you're referring to as being harsh? I don't often quote him because he uses too big words. [Laughter] But I didn't think that was harsh. There's no question but that I am tagged throughout the world as being an archconservative, and I've always thought that I was kind of defending myself when I answered back. Back in the beginning of our economic program that started this recovery, I was aware that my critics had named the plan Reaganomics, and I knew it was a success when they stopped calling it that. [Laughter] But where have I been so—I don't think I've been all that harsh.

Q. Well, sir, would you say, then, that your remarks about liberals and your critics in the media are just a normal part of the ongoing dialog and exchange in the marketplace of ideas?

The President. Well, I'm sorry you took that yourself. I was very careful to say critics and stop there. And there's a good share of the 535 on Capitol Hill—and they aren't connected to press—that are critics. And so, in front of this audience, I wasn't going to actually tag my critics as being of the press. [Laughter] No, I recognize the right, and I go along with Thomas Jefferson. I will protect and believe in a free press. I could say there is a section of the press that takes me on regularly, but it's a controlled press: Pravda and TASS. And I don't defend them at all.

Mr. Clark. Take one more question.

The President. One more.

Mr. Clark. One more question. Over here. Mike.

### Press Coverage of Terrorist Acts

Q. Mr. President, Mike Davies, The Hartford Courant. It has been said that publicity

in a sense is the lifeblood of terrorism. Perhaps without so much publicity, terrorist acts might diminish in scope and in number. Would you care to comment, please, on how well or how poorly you think the American media have covered terrorist acts up to this point?

*The President.* I know this talk about publicity and so forth, and I know that they strive for it. On the other hand, just trying to pretend that it doesn't happen and keeping quiet about it isn't going to end it. I think we all—and I mean by all, I mean that we, in our country, plus our friends and allies throughout the free world—have got to set down standards and make it plain that there will be retaliation and that terrorism cannot succeed, and thus part of our policy is that we will never pay off terrorists because that only encourages more of it.

I think the only time that I ever wondered about the media was in the terrorist kidnaping of a plane in Beirut, and then when Nabih Berri took away from the original hijackers our people and held them and then started negotiating for their release. I did wonder why one of the press that was present, when they could come in and out, go back to their hotels at night and then meet with Nabih Berri the next day—and

there he sat, flanked by their fellow Americans who were prisoners, kidnap victims, even though Nabih had not been the man who hijacked the plane. He hijacked it from the hijackers. And I wondered why at some time someone didn't say: "Why, we are Americans. We've committed no crime or anything. We're going when this press conference is over—be able to walk out of here and go where we want to go. Why can't those other Americans who've committed no crime against anyone—why can't they walk out of here with us?" And I would've liked to have seen the look on his face on the TV news program if someone had asked him that question at the time. So, if it ever happens again, maybe someone will think of it—ask that question. [Laughter]

*Mr. Clark.* We thank you very much, Mr. President. We appreciate your being here.

*The President.* Thank you all very much. Thank you. Have a good lunch.

*Note: The President spoke at 11:55 a.m. in the Grand Ballroom at the J.W. Marriott Hotel. Robert P. Clark, president of the American Society of Newspaper Editors and vice president of news for Harte-Hanks Newspapers, moderated the question-and-answer session.*

## Nomination of Robert Clifton Duncan To Be an Assistant Secretary of Defense

*April 9, 1986*

The President today announced his intention to nominate Robert Clifton Duncan to be an Assistant Secretary of Defense (Research and Technology). He would succeed Robert S. Cooper.

Dr. Duncan joined the Polaroid Corp., Cambridge, MA, in 1968 and is presently serving as vice president of engineering. Previously he served at Polaroid as assistant vice president (1969–1975). He was Chief of the Guidance and Control Division at NASA's Manned Spacecraft Center, Houston, TX, in 1964–1967. He was special assistant to the Director of Defense Research

and Engineering in the Office of the Secretary of Defense in 1961–1963. He was Chief, Space Programs Branch, in the Office of the Chief of Naval Operations in 1960–1961.

Dr. Duncan graduated from the United States Naval Academy (B.S., 1945), the United States Naval Academy Postgraduate School (B.S., 1953), and the Massachusetts Institute of Technology (M.A., 1954; Sc.D., 1960). He is married, has four children, and resides in Weston, MA. He was born November 21, 1923, in Jonesville, VA.

## Nomination of Mary Kate Bush To Be Alternate United States Executive Director of the International Monetary Fund

*April 9, 1986*

The President today announced his intention to nominate Mary Kate Bush to be United States Alternate Executive Director of the International Monetary Fund for a term of 2 years. This is a reappointment.

Ms. Bush has been serving as United States Alternate Executive Director of the International Monetary Fund since December 1983. Previously she was special assist-

ant to the Deputy Secretary of the Treasury. She was vice president and team leader of the world corporate department at Bankers Trust Co. in 1979-1982.

Mrs. Bush graduated from Fisk University (B.A., 1969) and the University of Chicago (M.B.A., 1971). She was born April 9, 1948, in Birmingham, AL, and now resides in Washington, DC.

## Message to the Congress Transmitting Proposed Legislation To Approve the Compact of Free Association With Palau

*April 9, 1986*

### *To the Congress of the United States:*

There is enclosed a draft of a Joint Resolution to approve the "Compact of Free Association," the negotiated instrument setting forth the future political relationship between the United States and Palau, a political jurisdiction of the Trust Territory of the Pacific Islands.

This Compact of Free Association is the result of more than sixteen years of continuous and comprehensive negotiations, spanning the administrations of four Presidents. The transmission of the proposed Joint Resolution today, and congressional enactment of it, marks the last step in the process for approval of the Compact.

The full text of the Compact is part of the draft Joint Resolution, which I request be introduced, referred to the appropriate committees, and enacted. I also request that the Congress note the agreements subsidiary to the Compact. Also enclosed is a section-by-section analysis to facilitate your consideration of the Compact.

On March 30, 1984, and again on February 20, 1985, I submitted to Congress a Compact of Free Association relating to the Marshall Islands and the Federated States of Micronesia, two other jurisdictions of the Trust Territory. That Compact was approved as House Joint Resolution 187 by

Congress on December 13, 1985, and with my signature on January 14, 1986, became Public Law 99-239. The people of the fourth jurisdiction of the Trust Territory—the Northern Mariana Islands—have voted to become a United States territory when the Trusteeship is terminated. The Congress approved their political status instrument as Public Law 94-241.

The defense and land use provisions of the Compact with Palau, and the right of the United States to foreclose access to the area for military purposes of third countries, are of great importance to our strategic position in the Pacific and enable us to continue preserving regional security and peace. Under the Palau Compact, the minimum term of United States defense authority and responsibility will be fifty years; otherwise, the Palau Compact is very similar to the Compact that the Congress approved for the Marshall Islands and the Federated States of Micronesia.

For almost four decades, the Trust Territory has been administered under a Trusteeship Agreement with the United Nations Security Council, which the United States entered into pursuant to the Joint Resolution of July 18, 1947. This Compact of Free Association with the government of Palau

fulfills our commitment under that Agreement to bring about self-government in accordance with the freely expressed wishes of the Palauan people. Termination of the Trusteeship Agreement and the formal assumption of freely chosen political status arrangements by all parts of the present Trust Territory are important foreign policy objectives of the United States.

The Compact with Palau was signed for the United States by Ambassador Fred M. Zeder II and the President of the Republic of Palau on January 10, 1986. It was approved on January 24, 1986, by both houses of the Palau National Congress. On February 21, 1986, the Compact was approved by the Palauan people in a United Nations ob-

served plebiscite. The President of Palau has certified that the approval process has been completed in full compliance with Palau's constitutional requirements.

Enactment of this draft Joint Resolution approving the Compact of Free Association for Palau will complete the enterprise of self-government we began with the peoples of the Trust Territory many years ago. It is the final step preceding full termination of the Trusteeship Agreement. Therefore, I urge the Congress to approve the Compact of Free Association for Palau.

RONALD REAGAN

The White House,  
April 9, 1986.

## The President's News Conference April 9, 1986

*The President.* I have a brief statement here before taking your questions. I'd like to touch briefly on two important issues.

### *Federal Budget*

First, the deadline for Americans paying their taxes, April 15th, will be upon us in less than a week. April 15th is also the date that the Congress is required to complete work on a budget resolution. Tens of millions of Americans will meet their deadline; they'll pay their taxes even if they have to spend the entire weekend figuring out how much they owe. But will Congress meet its deadline for the budget resolution? We hear the same tattered old argument that the American people are undertaxed. Well, the American people are not undertaxed, but their patience is overtaxed. Today, taxes take the same share of the gross national product as during the seventies, but government spending as a share of gross national product has soared up and up. So, I urge the Congress to forget about raising taxes and concentrate instead on controlling spending and putting government's financial house in order. And that'll help our economy and continue the best economic expansion this country's seen in a quarter of

a century.

### *Aid for the Nicaraguan Contras*

Second issue is aid to the Nicaraguan freedom fighters. Two events in recent weeks have underscored the urgency of our aid request to the democratic resistance. First, the Nicaraguan Communists sent troops into Honduras on a search-and-destroy mission to kill off the freedom fighters. Second, the Sandinista Communists torpedoed the Contadora talks, talks conducted with 12 other Latin countries who seek peace in the region. And these events demonstrate that the Nicaraguan Communists will never make peace with their neighbors or with their own people unless the pressure on them increases. The Communists must realize that they cannot crush their opponents, and our assistance can ensure that the freedom fighters are not crushed. That assistance will give Nicaraguans a choice, and it will give diplomacy a chance.

Four out of five Central American countries now have democratic governments; democracies that our bipartisan policies helped to bring about. We must stick to this bipartisan strategy. And this coming week, the House of Representatives will be called

upon to maintain that tradition. Action now is essential, and we cannot afford further delay. This proposal must not be held hostage to any other legislation. Through its vote next week, the House can show the world that the United States is determined to defend freedom in Central America. The Soviet Union, Fidel Castro, and the Sandinistas are determined to make the region a Communist enclave. Well, we must not and we will not permit that to happen.

Helen [Helen Thomas, United Press International]?

### *Libya and Terrorism*

*Q.* Mr. President, do you have any solid evidence that Qadhafi is responsible for the recent acts of terrorism? And if you are contemplating major retaliation, won't you be killing a lot of innocent people? I'd like to follow up.

*The President.* Helen, we have considerable evidence, over quite a long period of time, that Qadhafi has been quite outspoken about his participation in urging on and supporting terrorist acts—a kind of warfare, as he has called it. Right now, however, I can't answer you specifically on this other, because we're continuing with our intelligence work and gathering evidence on these most recent attacks, and we're not ready yet to speak on that. And any action that we might take would be dependent on what we learn. And so, I can't go further.

*Q.* Mr. President, I know you must have given it a lot of thought, but what do you think is the real reason that Americans are the prime target of terrorism? Could it be our policies?

*The President.* Well, we know that this mad dog of the Middle East has a goal of a world revolution, Moslem fundamentalist revolution, which is targeted on many of his own Arab compatriots. And where we figure in that, I don't know. Maybe we're just the enemy because—it's a little like climbing Mount Everest—because we're here. But there's no question but that he has singled us out more and more for attack, and we're aware of that. As I say, we're gathering evidence as fast as we can.

*Q.* Mr. President, Colonel Qadhafi threatened today to escalate the violence against American civilians and military targets

throughout the world if his country is attacked. Does he have the ability to strike here on American soil?

*The President.* Well, we know that there are a number of his countrymen in this country. He has even suggested that he could call upon people to do that. And we certainly do not overlook that possibility. We're going to be on the alert and on guard for anything he might do. He has threatened repeatedly, and recently, that he will bring that kind of warfare to our shores, directly here. Of course, it's kind of hard to keep up with him, because just a short time after this recent TWA explosion, he went on the air to state that this was an attack on innocent civilians and pure terrorism, and he wouldn't have anything to do with that. That's the same man that referred to the slaughter of the innocents in Rome and Vienna airports as a noble act. So, I don't know whether you count on what he says for your real information. I think you just ignore that and go looking for facts.

*Q.* What precautions would you say Americans can take to prevent terrorist attacks at home?

*The President.* Well, we're doing everything that we can, and I think all of the law enforcement agencies of America are alerted of this fact. And we're not entirely helpless because, as I pointed out, I believe sometime recently—or the last time we were here—that in the last year we have aborted through our intelligence gathering in cooperation with our allies, we have aborted 126 planned terrorist attacks that never took place because of our having the information in advance.

Johanna [Johanna Neuman, Gannett News Service]? How can you write with those mittens on? [*Laughter*]

### *Gulf of Sidra*

*Q.* Mr. President, you have said that the Gulf of Sidra maneuvers were designed to protect U.S. maritime rights. As Commander in Chief, can you tell us what was so strategically important about the Gulf of Sidra in particular, or the concept of freedom of navigation in general, that you would risk the lives of American soldiers?

*The President.* When we first came here, there had been a couple of years—that area of the Mediterranean, maybe because of its width and openness, has long been the place that has been chosen by our 6th Fleet there for the practice maneuvers that it must continue to take. And those maneuvers are very often very similar because you have new recruits and new crews and so forth, and you have to keep in practice. And he then, before we were here—he drew that line and said that the waters behind that line were his. The rest of the world denied that and said those are international waters. But, for whatever reason, our Navy did not perform those maneuvers for a couple of years. And when we came here it was presented to us that if we did not just resume our normal practice, we could then give credence to his claim and just by our not ignoring that line establish the fact that it was his private preserve. And this was presented to me, and after full deliberation and consultation, I ruled that those who said this were right and that we should resume what had been a matter of practice with the 6th Fleet before. And so we did. And in 1981 we returned to having a maneuver.

Now, it doesn't mean that you sail in with a whole fleet just to thumb your nose at him across that line. You conduct the maneuvers out in the Mediterranean—but it does mean that there are some ships on the flank, some planes, that in the exercise will cross that line. So, it isn't, as I say, a nose-to-nose confrontation that you make just to show off. And this was true in '81, but if you were to recall in '81, two planes he sent out fired upon planes of ours. And we shot down those two planes, because I had ruled that any time there is going to be a possibility of hostility against our forces, they're going to be allowed to defend themselves. Now, we did that. Now, this maneuver was the seventh such maneuver that we have had in that area. So, it wasn't an unusual thing that we set out to do. And he did open hostilities, and we closed them.

*Q.* Mr. President, if I may, there is a wide perception, however, that the administration was hoping to provoke Qadhafi and was prepared to escalate the military confrontation in the Gulf of Sidra. And I was

just wondering whether you had given thought to the number of American lives that might have perished there.

*The President.* I have to tell you that there's no decision that anyone in this office has to make that is harder to make than placing these young men and women of ours in uniform in a place where their lives are endangered. It is the most difficult thing to do. But it was not a deliberate provocation, and not sitting back saying, "Oh, goody, he's going to show his hand, and we'll clobber him." Not at all.

But even the Soviet Union recognizes those as international waters. And, again, just by usage or nonusage there of that area, what had been a normal practice for us for a number of years, would, as I say, lend credence to his claim and one day you'd just find that the world had accepted this. So, I think we've done this before in other waters and other parts of the world and other nations have also—to make sure that international waters are recognized as such. And so, there are times when—yes, when people have to be endangered, but not idly and not just for a provocation.

Chris [Chris Wallace, NBC News]?

### *Libya and Terrorism*

*Q.* Mr. President, the U.S. is once again asking the Western allies to join with you and isolate Qadhafi. So far they have expelled some Libyan diplomats in Paris and in Bonn, but they've taken no economic sanctions in the wake of these most recent attacks. How much of a disappointment is it to you that the Europeans have not followed suit, and what do you plan to do about it?

*The President.* Well, we're continuing to communicate with them and talk with them, and we're encouraged by what we've seen—these two countries who have taken some action along this line. And I'm quite sure that this will be a subject we'll be talking about at the forthcoming summit with our allies.

*Q.* Sir, if I could follow up on that. You've used some very tough rhetoric about Qadhafi. Tonight you called him the mad dog of the Middle East. Do you ever worry that perhaps you're giving him exactly what he



wants—the recognition of the highest office in this land?

*The President.* You know, I'd never used the term "mad dog" before, but I saw one of you using it on television tonight, and I thought it sounded good. [Laughter]

Bill [Bill Plante, CBS News]?

#### *SALT II Treaty*

*Q.* Mr. President, on the 20th of May, when the new U.S. submarine goes to sea for the first time, the United States will exceed the number of weapons allowed by the SALT II treaty unless you take two Poseidon-class submarines out of service. Will you do that?

*The President.* Bill, I am waiting right now—we've touched upon this and are discussing it, and I'm waiting for further reports on the actual violations of the Soviets. I know that I set a policy some time ago that we would continue to observe the restraints of the SALT II treaty, but in keeping with whether the other signator to the treaty did so also. Now, we know there have been violations, and we still have not come down hard on what balances what and what we should do. But we are willing to observe those restraints if they are willing also. And I'm waiting for—we've had a lot of other things on our plate, so we just haven't made a decision on this.

*Q.* Well, sir, might you try what's being called a proportional response, which is to say, instead of cutting up those old submarines, just drydocking them, which sort of walks the line in between?

*The President.* Bill, this is all the kind of thing that we're talking about, and we just have not made the final decision as yet.

Sam [Sam Donaldson, ABC News]?

#### *Michael K. Deaver*

*Q.* Sir, a lot of people are saying that Michael K. Deaver is making a lot of money because of his influence with you and that that's wrong. What do you think?

*The President.* I have noticed all of that, and I've been very distressed by it. Sam, I have to tell you that I have the utmost faith in the integrity of Mike Deaver, and I've known him probably longer than anyone else in the administration back here. And I also have to tell you that Mike has never

put the arm on me or sought anything or any influence from me since he has been out of government. So, I think maybe the criticism is just because he's being darned successful, and deservedly so.

*Q.* Well, sir, not just to beat up on Mike Deaver, there are others who have peddled their influence, either real or perceived. And some of them are doing it for governments with which you have a quarrel. Angola comes to mind. What do you think about Washington PR firms trying to put the best foot forward for governments that we have a quarrel with?

*The President.* Well, again, it's private enterprise, I guess, in our country. They don't become my favorite person if they do that. And I wonder sometimes what their motives are, or whether they fully appreciate the nature of their client. But there's no way that I think that we should suddenly raise their taxes or something.

#### *Space Shuttle Program*

*Q.* You are going to also have to decide in the next few days whether to fund a fourth shuttle orbiter to replace the *Challenger*. Do you have a sense now whether you might agree to do that? And, if so, how you can fund it given the restraints of Gramm-Rudman?

*The President.* I'm going to wait until I see what the proposal is and what comes to me. I've heard rumors and talk of this. I would hope that we can continue this. This was the request from every one of the families of those people who lost their lives on the *Challenger*—that we continue this program. And I said to them that that's what I wanted to do and would hope that we could do.

*Q.* If I could have a follow, sir, the White House has been requested by Senator Hollings to turn over the telephone logs of conversations between NASA officials and White House officials before the *Challenger* launch to determine whether there was undue pressure put on NASA to launch the *Challenger*. Do you agree that those logs ought to be given to the Senator?

*The President.* I don't know. I'll look into that. But I can tell you this—that all of this attempt to focus on it, that somehow they

were pressured to go off—beginning with myself—no such thing has ever taken place. We don't know enough about that kind of thing to know whether we should advise them to take off or not.

#### *Libya and Terrorism*

*Q.* Mr. President, if I can bring you back to Mr. Qadhafi and the Middle East. There have been some reports today that say that you have already made a determination to retaliate. And yet your remarks earlier—you said any action that we might take would be dependent on what we learned. Do I take that to mean that you have not made any decision on retaliation yet?

*The President.* This is a question that, as I say, is like talking about battle plans or something. It's not a question that I feel that I could answer, except that you all know that you've heard me on record for several years now—that if and when we could specifically identify someone responsible for one of these acts, we would respond. And so, this is what we're trying to do, is to find out who's responsible for a fine sergeant in our military dead and 50 young Americans lying in a hospital wounded because of that dastardly attack in West Berlin. And if there's identification enough to respond, then I think we respond. And I've said that over and over again.

*Q.* If I may follow up, sir. But there has, at the same time, been a lot of evidence or a lot of finger-pointing toward Syria. But in recent months we have not heard anything that specifically targets the Syrians as also being perpetrators of terrorism. Is there a reason for that? Is it, possibly, because we think Mr. Assad [President of Syria] can help get the Americans out of Lebanon?

*The President.* No, no. We'll go wherever the finger points. But so far the leads have not gone in that direction on some of the more recent events.

#### *Soviet-U.S. Summit Meeting*

*Q.* I'd like to switch subjects on you now, Mr. President. In view of your belief that a summit should be well prepared and produce substantive results, do you feel it's realistic to think that you can still meet your preferred June or July date?

*The President.* Well, it's getting pretty

certain from our own standpoint that June is just about out now, although we will be having some meetings at the ministerial level here that were arranged with Dobrynin. We'll have them here this month [next month]. It still could be possible, however, for July. But if not then, later. But I have made one thing plain. The fall months of our election are not going to be months that I will agree to a summit, and I will stick with that.

*Q.* So, sir, after June or July, what is your next best time? December? November?

*The President.* Well, I would think after the election then.

#### *Libya and Terrorism*

*Q.* Mr. President, this has been asked in several forms, let me try another. The reported electronic intercept of congratulations from Qadhafi to the People's Bureau in Berlin, is that not sufficient evidence to tie Libya to the bombing of the disco?

*The President.* I'm not going to comment on anything that can reveal where we're getting information, or whether we're getting information in that way or not. And I'm certainly not going to say—answer anything that might endanger some possible sources for that. So, I can't answer your question.

#### *World Oil Prices*

*Q.* Mr. President, thank you. There's a theory that Arab oil producers now are driving down the price of oil in order to hurt their competitors, including American oil producers. Do you think there's such a thing as oil that's too cheap?

*The President.* Well, I have to say that while we have said we believe that this whole thing with the oil prices should be settled on the basis of the free market, the market in oil is not completely free. There are some major producers of oil who are governments, not private corporations or business people. And it's possible that what you'd want to keep your eyes open for, when we talk about hoping that this will be—that this whole thing will destabilize the price of oil is, you can't ignore the possibility—well, maybe somebody would think of driving it down to the point that they get

rid of a lot of competition. And then they would do what comes naturally to a monopolist, and the price would start going up again, as it once did when others had a very dominant voice and hold on the oil market. So, when I say free market—and I really mean that—I, at the same time, think that we must keep our eyes open to see that no one starts playing tricks for some kind of illicit future gain.

*Q.* If I could follow up, do you think that we're near that point? And, if so, what kind of action would you take?

*The President.* Now, I don't know whether we are or not—near that point. And as I say, this is just—this is really hypothetical. This is something you say, well, this could happen and so we mustn't just go blindly and pretend that not a thing like that could ever take place. But then we would have to see what our options were.

Jerry [Gerald Boyd, New York Times]. No, Jerry.

#### *Vice President Bush*

*Q.* Mr. President, I've got a question that's nonhypothetical. Vice President Bush has seemed to be talking lately about the need for low oil prices. Is he off the reservation? Do you disagree with what he's been saying?

*The President.* No, in his own way, and more specifically, he's been saying pretty much what I've just been trying to say here, now. That the free marketplace is the one—the answer to this. But he has also been saying, talking about this same thing, that if someone is going to destabilize the whole petroleum industry by trying to take advantage of this present situation that we should be alert to that. And what he had in mind was that, obviously, here the United States has vastly reduced the amount of oil that we have to import. And now, if we suddenly, however, have made it uneconomic to produce oil in our own country to the point that we have to go back to further imports, we have, among other things, endangered our own national security. This is all that he's talking about. But we're saying the same thing.

*Q.* If I could follow up, sir. A lot of Republican Senators have been saying that he's really hurting himself, politically. Do

you agree with that?

*The President.* Well, I think some people must be reading things into this, or maybe it loses something in the transmission from as far away as he is. But, actually, I have made it a point to get exactly and specifically what he said. And I can't find myself quarreling with any of the remarks he's made.

#### *American Hostages in Lebanon*

*Q.* Mr. President, do you have any concerns that the escalation of tensions with Libya and in that region may further endanger the American hostages still being held in Lebanon? And, also, do you have any news about their well-being that you might share with us?

*The President.* No. We have constantly been, contrary to what some people think, working on that very problem. Those hostages, they've never been out of our mind for a minute, and our efforts have gone in every direction where there seemed to be an opening. The best that I can say to you is that with all the information we have, it indicates that they are well. But I would hesitate to think that anything that we might do in retaliation for terrorist acts now, these most recent acts, would actually affect them and their well-being. But, again, we have to deal with this terrorist problem. We cannot allow terrorists to believe that they can do this to the world.

*Q.* Mr. President, is the problem of terrorism so serious that it would be inappropriate to consider the lives of these few Americans in setting American policy?

*The President.* Well, let me say that they would be a very great consideration, always. And it would have to be a situation, depending on what all we learned, that would lessen the importance of any American in view of the major target and the more people that might be threatened. What we're talking about now is not just hit or miss—is there going to be terrorism out there? We're talking about the accumulation of evidence of specific acts that are threatened, and that then we can take action in advance. As I said, we did last year, 126 times, to abort those efforts. And this continues to go on. So, we're still hope-

ful that we're going to get those hostages back.

I think I should—I've been kind of concentrating here in the center.

### *Libya and Terrorism*

*Q.* Mr. President, critics say that your policy toward Libya has been too confrontational. President Carter described Colonel Qadhafi as a polecat and said you don't poke a polecat. Now, what do you say to critics who say that military retaliation only begets more violence?

*The President.* Well, I could answer the other thing, that there's another side to that; that if somebody does this and gets away with it and nothing happens to them, that encourages them to try even harder and do more. And everyone is entitled to call him whatever animal they want, but I think he's more than a bad smell.

*Q.* If I could follow up, didn't the Gulf of Sidra suggest that perhaps military action here simply begat more terrorist response?

*The President.* No. If he wanted to invent that as a provocation aimed at him, I've explained what that was—a practice that's been going on for several years, a number of years before I came here—long before—those maneuvers held there, and seven times since I've been here. And so, he just had to invent that to get on the air.

*Q.* Mr. President, are we in a state of undeclared war with Libya?

*The President.* Not on his side, he's declared it. We just haven't recognized the declaration yet, nor will we. No, it's, as I say, we're going to defend ourselves, and we're certainly going to take action in the face of specific terrorist threats.

Andrea [Andrea Mitchell, NBC News]?

### *Soviet-U.S. Summit Meeting*

*Q.* Mr. President, Mikhail Gorbachev really blasted you on Soviet television yesterday, accusing you of provoking another cold war and criticizing you for refusing to negotiate on the test ban treaty, for cutting the size of the U.N. delegation here. Is that the spirit of Geneva, and what does it bode for the next summit?

*The President.* I evidently wasn't aware of that, that he said all those things about me there. He must have been reading Pravda

and TASS too much. Why don't we send him some American newspapers? No, I think that his communication directly to me has certainly been in the spirit of Geneva, and my responses to him have been. So, maybe he was speaking to a different audience at that time. But we're trying to go forward and, as I say, we're planning for a summit here. I know that they were upset about the action with regard to the U.N., but that has been under consideration for a long time by us. The Soviet Union's delegation was bigger than the next two top delegations in the U.N. put together, which includes ours. And there had been enough defectors that we were aware that they weren't all delegates to the United Nations. They had extracurricular activities that were not for our benefit.

Yes.

*Q.* Mr. President—

*Q.* Could I just follow on that?

*The President.* Of course.

*Q.* What do you think the effect of future decisions, such as SALT II, would be on the summit preparations? Do you feel in any way that your hands are tied on the SALT II decision, which must be made before May 20th because of the summit preparations?

*The President.* No. We're very much aware of wanting to keep these going. And many of these things are things we debated and discussed in the first summit meeting at Geneva, in those private meetings. And we'll be taking them up again in the next meeting, trying to make some sizable and realistic gains in lessening the tensions. It all comes under the head of—what I told him when we first met. And that is that, the quote that I used was that countries don't mistrust each other because they're armed; they're armed because they mistrust each other. And that's what he and I had to do, was find deeds, not words, that we could perform that would lessen that mistrust to the point that we could reduce these massive armaments.

### *South Africa*

*Q.* Mr. President, you obviously condone the use of violence for the freedom fighters in Nicaragua. Why, then, do you condemn

the use of violence for people your State Department claims are freedom fighters inside South Africa?

*The President.* We don't condemn. We're trying every way we can to try and bring about meetings of the leaders on both sides. We know that there are two factions in South Africa, in the Government of South Africa. One of them stubbornly is holding to continuation of the past practices. The other, and this includes President Botha, wants change and has taken a number of steps—as many as he can get away with. But it's just like me dealing with the Hill up here. Sometimes he can't get all that he seeks. But we are continuing to urge, and have made it plain—and I can tell you that he has agreed with us that he finds the past system repugnant and is trying to get changes as quickly as possible. And we're going to try.

#### Angola

*Q.* Sir, on the question of freedom fighters again, it's been reported that the freedom fighters in Angola are being given American Stinger missiles. Are you at all concerned that such high-technology American weapons might fall into the hands of terrorists not friendly to the United States?

*The President.* I don't answer the questions on the nature of the armaments that we provide in cases like this. First of all, because I think if we feel that it is worthwhile for us to help militarily a force of that kind, then there's no reason why we should help their enemies know what weapons they have or what weapons are being denied them. So, I'm not going to answer that as to whether we are or aren't, on those.

Yes?

#### Tax Reform and the Budget

*Q.* Mr. President, as you said in your opening statement, it's budget season in Congress. And some Senate Republican leaders are warning that the tax reform that you badly want may die if the budget process doesn't get started moving soon, and it's going to take leadership from you to get the budget process moving. I'd like to know what are your plans for pushing the budget process?

*The President.* I started pushing at about 9:30 or 9:45 this morning with the Republican leadership of both the House and Senate. And we're going to keep on pushing. With tax reform in this present time, how many of you have made out your own tax forms yet—already?

*Q.* Have you?

*The President.* Pardon?

*Q.* Have you?

*The President.* No, I had someone doing it for me. But I have to tell you, I am more than ever convinced, we must have reform, because when I finally saw it, it was all made out, and I still didn't understand it. [Laughter]

*Q.* Sir, if I may, they say it's going to take compromise from you on the budget—willingness to come down on defense spending—something to get it moving. Are you willing to give up something?

*The President.* Well, I'm a little annoyed by the fact that not too long ago the Congress of the United States agreed, and we agreed, to a compromise of a sizable cut that would leave us with zero growth, and then 3 percent and 3 percent for the next 2 years following. Now, they approved that. We gave a compromise, but every time we make a compromise on defense spending the Congress says, well, that's the point we start new bargaining from. And we have, so far, given up or reduced the budget by \$294 billion over the next 5 years. And in the world, the way it is today, and with the questions you've been asking me about Gorbachev and summit meetings, and so forth, I just think it is foolhardy to continue down that policy that the only place we can get savings.

In my budget, I asked for the elimination of 44 programs that I and the Cabinet and the people who run those programs believe we could well do without. And the only budget consideration now that is being given is to, I think, maybe, tentatively, eliminate 3 instead of the 44. But the problem with our situation—the deficit spending and all—is government spending too high. It has gone way beyond the growth of our economy. It had grown beyond the growth of the personal earnings of the people, even though last month they increased by \$19½

billion. And we just have to face it. And unfortunately there are some people up there that for 50 years have been living in a world of running up debt, and they can't get out of the habit.

Q. Thank you.

*The President.* I never did get back. I was on my way back here.

#### *Baseball*

Q. Are you the jinx that causes the Orioles to lose every time you show up for an opening game?

*The President.* I feel that way. I've been there four times, and they've lost all four games. And I don't think I'm welcome back, Sam [Sam Donaldson, ABC News].

Q. Why don't you go to a Cubs game next time? [Laughter]

Q. How about a baseball team in Washington?

#### *International Bodybuilders*

Q. Mr. President, may I tell you something that will make your heart glow? One hundred and twenty-seven countries passed a resolution to honor you about your leadership. And this was done by Mr. Ben Weider, who is the chairman and president of the International Bodybuilders of 127 countries.

And I was asked to give you this message, and I've been trying to tell it to you forever.

*The President.* Thank you, dear. The only trouble is, you're pointing it this way. Tell them. [Laughter]

Q. But I want to ask you, will you accept the resolution because Mr. Ben Weider's offices, headquarters in Montreal—the reason he called on me is because I'm of Canadian birth, being born in Toronto. And he wanted me to handle the details to have a great big party for all of us, and he will pay all the expenses.

*The President.* Well, I will go back and—[inaudible].

Q. You didn't call on the black press tonight.

Q. Well, I have to call Montreal and give him an answer. What do I tell him?

*The President.* [Inaudible]

Q. All right. I sent a telegram to your office. Okay, thank you.

*Reporters.* Thank you.

*Note: The President's 35th news conference began at 8:02 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.*

## Statement by Principal Deputy Press Secretary Speakes on United States Assistance for the Nicaraguan Democratic Resistance April 10, 1986

There are reports in the paper this morning that the leadership of the House is planning a parliamentary maneuver to put the President's *contra* aid package into a large supplemental which contains many features that have been added to it in the House that we don't like and will be a prime candidate for a veto. We hope these reports are not so. It would be unfortunate if this were the decision of the leadership in the House. We find it hard to believe that they would use a parliamentary maneuver in order to delay a vote on *contra* aid.

We believe this is an important proposal that should be submitted to a vote in the House without delay. More delay would only delay an opportunity for a straight up-

or-down vote. Whether or not the Members of the House agree or do not agree on this subject, we believe that the American people are entitled to have these issues voted up or down. They should not hold this legislation, important foreign policy initiative, hostage to a parliamentary maneuver. We just look at the other side of the coin to the *contras* and find out they have no parliamentary maneuver in their hands that they can use to keep from being attacked by Sandinista forces.

*Note: Larry M. Speakes read the statement to reporters at 9:37 a.m. in the Briefing Room at the White House.*

## Nomination of Gilbert G. Pompa To Be Director of the Community Relations Service at the Department of Justice

*April 10, 1986*

The President today announced his intention to nominate Gilbert G. Pompa to be Director, Community Relations Service, for a term of 4 years. This is a reappointment.

Mr. Pompa was appointed Director of the Community Relations Service in 1978. He was reappointed to the position in 1982. Previously, he served at the Community Relations Service as Acting Director (1977–

1978); Deputy Director (1976–1977); Associate Director (1973–1976); and Assistant Director in 1969–1973.

Mr. Pompa graduated from St. Mary's University (LL.B., 1958). He is married, has three children, and resides in Fairfax, VA. He was born October 1, 1931, in Devine, TX.

## Message to the Senate Transmitting the Convention on International Labor Standards

*April 10, 1986*

### *To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the Convention (No. 144) Concerning Tripartite Consultations to Promote the Implementation of International Labor Standards, adopted by the International Labor Conference at Geneva on June 21, 1976. I transmit also for the Senate's information a certified copy of the recommendation (No. 152) on the same subject, adopted by the International Labor Conference on that same date, which amplifies some of the Convention's provisions. No action is called for on the recommendation.

The report of the Department of State, with a letter from the Secretary of Labor, concerning the Convention is enclosed.

I support fully the principle of tripartite consultations among government, employers, and workers on matters relating to the

International Labor Organization. This principle is fundamental to the existing structure of both the ILO and of the consultative mechanisms that have been established within the United States with respect to ILO matters. Ratification of Convention No. 144 therefore would require no change in the way the United States has organized to deal with the ILO.

Because the United States is party to so few ILO conventions, we are vulnerable to criticism when we seek to take others to task for failing to adhere to instruments we ourselves have not ratified. Ratification of Convention No. 144 would reduce this vulnerability. I therefore recommend that the Senate give its advice and consent to the ratification of ILO Convention No. 144.

RONALD REAGAN

The White House,  
April 10, 1986.

## Message to the Senate Transmitting the Convention on Minimum Standards in Merchant Ships

*April 10, 1986*

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification of the Convention (No. 147) Concerning Minimum Standards in Merchant Ships, adopted by the 62nd session of the International Labor Conference, at Geneva, on October 13, 1976, I transmit herewith a certified copy of that Convention. I transmit also for the Senate's information a certified copy of the recommendation (No. 155) concerning the improvement of standards in merchant ships, adopted by the International Labor Conference at the same time as the Convention. No action is called for on the recommendation.

The report of the Department of State, with a letter from the Secretary of Labor, concerning the Convention is enclosed. The Department's report also contains the texts of five proposed understandings. It is pro-

posed that these understandings be included in the United States instrument of ratification, should the Senate give its advice and consent.

Adoption of the Convention and the recommendation was the culmination of a long negotiating process in which the United States participated actively and vigorously supported the drafting of a comprehensive and effective instrument to achieve minimum standards in merchant ships. I believe that the United States ratification of this Convention is in the national interest and in the interest of the world community as a whole, and I, therefore, recommend that the Senate give its advice and consent to ratification, subject to the understandings mentioned above.

RONALD REAGAN

The White House,  
April 10, 1986.

## Proclamation 5457—Centennial Year of the Gasoline Powered Automobile, 1986

*April 10, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

In 1885 the world's first successful vehicle powered by a gasoline-fueled internal combustion engine made its appearance in Germany. Shortly thereafter, in January 1886, the United States Patent Office issued its first patent for a motor vehicle powered by such an engine—the forerunner of today's automobile. This year marks the centennial of that patent, an anniversary that well deserves to be recognized.

In the 100 years since that historic patent was issued, the automobile has been the cause or catalyst of an enormous transformation of the American landscape, econo-

my, and society. It has given rise to a vast network of roads and highways that gives access to every region of our land and helps to bind our Nation and its people ever more closely together. The building and improvement of this network has created thousands of jobs, sparked new industries, and provided opportunities for innumerable roadside businesses, large and small.

The invention of the internal combustion engine created the principal market for the oil industry, which was also in its infancy a century ago. One hundred years later, thanks largely to vehicular consumption, the oil industry has become one of the largest and most important in our Nation and in the world. Today, according to industry es-



timates, more than three-fourths of refined petroleum products are sold to power internal combustion engines, accounting for more than half the revenues of the major producers.

Many of our major industries, such as steel, glass, rubber, and textiles, rely on the auto industry to buy a significant percentage of their output. It is estimated that at least one in five jobs in the United States depends, directly or indirectly, on the automobile industry.

Although challenged in recent decades by strong foreign competition, the American automobile industry has made a dramatic comeback, improving quality and variety as it adjusts to the changing demands of the marketplace.

Except for a brief setback during World War II, the American automobile market has never ceased to expand. Fifty years ago there were only 28.5 million cars on America's roads. Twenty years ago that number was approaching 95 million. Today it is about 175 million—more than one vehicle for every two Americans.

The automobile has given Americans unprecedented mobility—linking farms, towns, cities in a way that was unthinkable before its advent. Indeed, the effects of the automotive age, which began a century ago,

have so pervaded every aspect of our lives as to make the automobile a central symbol of twentieth-century civilization in America.

The Congress, by Senate Joint Resolution 231, has designated the period commencing January 1, 1986, and ending December 31, 1986, as the "Centennial Year of the Gasoline Powered Automobile" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim the year of 1986 as the Centennial Year of the Gasoline Powered Automobile, and I call upon the people of the United States to observe this year with appropriate programs and activities.

*In Witness Whereof*, I have hereunto set my hand this tenth day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:01 a.m., April 14, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on April 11.*

## Remarks in an Interview With Representatives of Yomiuri Shimbun of Japan, Together With Written Responses to Questions April 10, 1986

### *Japan-U.S. Relations*

*Q.* First question is about the U.S.-Japan relation, and I think the U.S.-Japan relation becoming even more important today in the context of their respective roles in the maintenance of peace and prosperity. At the outset of this press interview, would you give us your thought about the state of union of the two countries, as we stand today, and also its future?

*The President.* Well, I believe that the relationship between our two countries is strong, vital, and healthy. And I think the warmth of the friendship is epitomized in

the affection and respect that Prime Minister Nakasone and I have for each other. I consider him a very close, personal friend. But the other thing about our two countries, too, is that we are both nations on the Pacific rim, and I happen to believe that the world's future further development lies in the Pacific Basin. And we are, and do happen to be, the two greatest economic powers on the rim of the Pacific Basin, and therefore I think we share a great responsibility in the future of the whole Pacific Basin there. So I think all of our people are very pleased about the relationship that we

have, and I'm sure it will continue.

*Japan-U.S. Meetings and the Tokyo Economic Summit*

*Q.* May I move to the second question? As you know, our Prime Minister Nakasone is visiting here in Washington this weekend, and he'll have very important talks with you. And the Tokyo summit meeting—[in-audible]—so what do you think will be focused [on] in the bilateral and Tokyo summit meetings?

*The President.* I think some of the things will be a discussion of the relationship of our nations here in the free world with the Soviet Union and what progress we can all make together with regard to reducing, particularly, the nuclear weapons that now hang over the world as a threat. That will be certainly one very important subject of discussion. I think also the economic situation of the summit nations will be very important. Some of them were slower in coming out of the recession that the world was in a few years ago, but now all seem to be progressing better. I think we will be discussing trade matters between all our nations, and I know definitely the Prime Minister and I will be discussing our own bilateral trade situation. We've made great progress; and it's essential, too, that the leading trading nations of the world, such as those that make up the summit economic conference, that all of us continue our recovery and our expansion, our economic recovery and making economic progress, provide more employment. And we really are all sort of bound together in that. It's going to be very difficult for any one nation to be prosperous if all aren't doing well. So, I think we'll have a full plate.

*Terrorism*

*Q.* And do you have any intention to take up the issue of concerted action against terrorism?

*The President.* Yes, I'm glad you mentioned that. Yes. Terrorism must definitely be discussed by all of us, because only by working together can we wipe out this very cowardly but very cruel and damaging practice. So, I'm sure that we'll be talking about that. We have an example last year of what can be done with cooperation be-

tween us. So far we've been improving our relationship in exchanging intelligence information about terrorist threats. And last year—it's little known—but last year we were able to abort and cut off, prevent from happening, 126 terrorist operations. So, yes, that will very definitely be a subject for discussion.

*Q.* Thank you very much.

*The President.* Well, thank all of you. It's a pleasure to see you.

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*The President's Responses to Questions Submitted by Yomiuri Shimbun*

*Aerospace Transportation Research*

*Q.* We are very much impressed when you discussed for the first time about a concept of aerospace plane called Orient Express in your State of Union Message. Would you elaborate more on that project as to why it is so important and what specific steps are being contemplated at your government to carry on your proposal? Also, is it feasible to call on Japanese cooperation in this area, because it is common interest to Japan as well as your country?

*The President.* In January I announced that we are going forward with research on a new Orient Express, a new generation of aircraft that will fly at many times the speed of sound. If our studies show that an aerospace plane is feasible, it would mean a major advance in air transportation and space exploration. We are still at a preliminary stage of technology assessment. But following this assessment, we could decide to go on to development within 2 or 3 years. We will certainly consider the possibility of cooperation with other nations once the initial assessment is complete.

*Japanese International Role*

*Q.* As one of the new Japanese roles in the world, she is expected to expand economic and strategic assistance to developing countries. To which countries and areas would you like to see Japan increase strategic assistance? Concerning debt problems, a new American initiative by Treasury Secretary called Baker's plan has been proposed. In this regard, what role would you expect to be played by Japan?

*The President.* First, I want to commend Japan for strengthening its overseas development assistance (ODA) programs over the past 10 years, to the point where today Japan is second as a worldwide ODA donor. Japan's new commitment to double once again its annual ODA spending in the next 7 years is a worthy goal. I am pleased at the prospect that Japan will continue to increase its overall assistance levels, improve the quality of its aid, and seek to assist those nations in most urgent need of support. Although Japanese economic assistance has been made and will remain very important to other countries in Asia, I hope Japan will continue to take a more global view in expanding its assistance programs to other vital regions.

We appreciate the support we have received from the Japanese Government and from private Japanese banks for Treasury Secretary Baker's plan for increased private and multilateral financing for important debtor nations. Such financing would be related to the pursuit of sound economic policies in the borrowing countries. As we move forward in concert with the World Bank and the IMF [International Monetary Fund], Japan's support will be critical to the success of this program for sustained growth.

#### *International Trade and Monetary Policies*

*Q.* Under the new circumstances of declining U.S. dollar and oil price, what initiatives are you thinking of for world economic relations? What importance would you place on an international conference for monetary reform and removal of unfair trade practices, or the New Round, you referred to in your State of Union Message?

*The President.* The recent strengthening of major currencies vis-a-vis the American dollar and the decline in oil prices are welcome developments. So is the remarkable decline in inflation throughout the industrial world. We must be determined in our efforts to bring about sustained, noninflationary growth on a global basis. And these efforts start at home—in every country. Internationally, we seek to strengthen the system of free and fair trade and the free movement of capital in order to increase global economic efficiency and raise the

standard of living for people in all countries.

Better economic performance and more consistent policies among the major market economies are the keys to the smooth functioning of exchange rates. As you know, in January I asked Treasury Secretary Baker to determine whether a conference on exchange rates would be appropriate. Secretary Baker is studying this question in light of developments in international trade and finance, including discussions this month of the IMF Interim Committee and at the OECD [Organization for Economic Cooperation and Development] Ministerial meeting.

We have high hopes for the new round of multilateral trade negotiations under the auspices of the GATT [General Agreement on Tariffs and Trade]. We seek to strengthen GATT and extend GATT discipline to agriculture, services, investment, and intellectual property. We all recognize free trade must also be fair trade, and we must work diligently, both bilaterally and multilaterally, to remove barriers to trade. When we identify such barriers, we try to eliminate them through negotiations with our trading partners. Where these negotiations fail, we are compelled to act to ensure that American businesses and American farmers are not injured by these practices. The open trading system requires that all participants in the world economy play on a level field, free from arbitrary and discriminatory barriers to the movement of goods, services, and capital. I look forward to discussing these crucial global economic issues with Prime Minister Nakasone and our colleagues from Germany, France, the United Kingdom, Italy, Canada, and the European Community at the summit in Tokyo.

#### *Japanese Import Policy*

*Q.* For Japanese part, in addition to her opening market policy, Japan has been strongly urged at home and abroad to change substantially her economic structure from the export oriented to the domestic consumption, in such areas as fiscal monetary policy, tax system, and so forth. How would you assess Japanese effort in that regard guided by the Prime Minister's advi-

sory group?

*The President.* The report prepared by Mr. Maekawa and the other members of the advisory group contains important recommendations for the future of Japan's economy. I look forward to hearing more about the recommendations and their implementation from Prime Minister Nakasone when I meet with him at Camp David this weekend. I understand that the Japanese Government has taken some steps to increase domestic-led growth to stimulate imports. We applaud these efforts and hope that the Maekawa commission report will lead to further progress. An increased role for imports, especially for manufactured and other value-added goods, in Japan's economy will be an important step in promoting greater harmony between Japan and its trading partners.

#### *Japan-U.S. Exchange Rates and Trade*

*Q.* We are hopeful of improvement of U.S.-Japan trade imbalance to some extent by recent readjustment of U.S. dollar and Japanese yen exchange rate. What is your assessment of 1 dollar-180 yen rate? Other than readjustment of foreign exchange rate, do you have any new idea to solve trade frictions, such as U.S.-Japan free trade agreement privately proposed by Ambassador Mike Mansfield?

*The President.* It is not for me to say what is the proper exchange rate. This determination must be left to free market forces, although I note that the recent shift in the dollar-yen relationship should help to make U.S. exports more competitive in Japan. Current U.S. policy deals with several problem areas: economic structural factors, including the yen-dollar relationship, and trade liberalization, among others. There are no quick or easy fixes. In the area of trade liberalization, the sectoral trade negotiations under the Market Oriented Sector Specific discussions (MOSS) have been a valuable tool for resolving problems in a cooperative, trade-expanding manner. The United States and Japan have agreed to continue this effort, to follow up on what has been accomplished thus far, and to start work on new sectors as well. Prime Minister Nakasone has also been very energetic in internationalizing Japan's economy, though

Japan recognizes more needs to be done. The action program Japan announced last July pledged that Japan's economy will be free in principle, with restrictions the exception. The upcoming multilateral trade negotiations should also play an important role here.

#### *Strategic Defense Initiative*

*Q.* Strategic Defense Initiative (SDI) is approaching a developing stage. Now that the U.K. and West Germany have decided to join the program, how do you think of importance of Japanese participation in SDI program, and what role Japan can play in it? Would you expect the issue to be raised in your talks with Prime Minister Nakasone and Tokyo summit meeting?

*The President.* The United States welcomes the widest possible Japanese participation in the SDI research program. We believe such participation would be beneficial both to Japan and to the program itself. That decision, of course, is one for the Government of Japan to make.

#### *Conventional Defense Initiative*

*Q.* Granted the ultimate goal of eliminating strategic weapons be attained eventually, there remains a threat of tactical nuclear weapons; and some experts in Washington are suggesting that U.S. Government should undertake a so-called Conventional Defense Initiative (CDI) to develop unmanned, highly computerized, attack airplanes. Do you plan to give a serious consideration to CDI in much the same way as SDI?

*The President.* The effort to improve Western conventional capabilities, the NATO Conventional Defense Initiative (CDI), is hardly new and has my full support. We are looking for more progress toward improving NATO's conventional defense. I would note, in particular, the decision by NATO Defense Ministers in December 1984 to double infrastructure funding and their agreement to work toward increasing necessary munitions stockpiles. In May 1985 NATO Defense Ministers reaffirmed the 3-percent defense spending increase goal. We look forward to the fulfillment of this pledge and even more substantial improvements by NATO nations in re-

sponse to the NATO force goals to be adopted this spring. We will work hard to advance this process, and the United States will continue to lead by example.

#### *Japanese Defense Role*

*Q.* What would you think of Japanese security role in the context of U.S.-Japanese cooperation vis-a-vis Soviet Union, who has begun to show a smile diplomacy toward Japan? Would you like Japan to expand any military role beyond the 1,000-mile sealane defense which Japan is about to undertake?

*The President.* The United States views Japan as a cornerstone of our mutual security. The facilities made available to U.S. forces in Japan and U.S. access to those facilities are vital to the defense of our common interests in the Far East. Japan's self-defense roles and missions, as described by former Prime Minister Suzuki in 1981, are to protect its territory, seas and skies, and its sealanes out to 1,000 nautical miles. The United States endorses these Japanese undertakings and hopes that Japan will attain the capability of fulfilling these roles and missions as soon as possible. Neither the United States nor, we believe, Japan seeks a broader military role beyond that of self-defense.

#### *Soviet-U.S. Summit and Arms Control*

*Q.* We are very much interested in the development of U.S.-Soviet relations. What is the prospect for this year's U.S.-Soviet summit under the situation in which the Soviets seem to link the summit to the nuclear test ban and the progress of the arms control talks? Would you accept September or even December as a timing for the summit if the Soviets insist on holding the second meeting this year in the United States? And how would you assess ongoing U.S.-Soviet arms control talks?

*The President.* We agreed at the Geneva summit to meet in the United States this year and again in the Soviet Union in 1987. We are encouraged by the fact that Secretary [of State] Shultz and Foreign Minister Shevardnadze will be meeting in May to discuss preparations. The arms control negotiations have, unfortunately, not moved forward the way we had hoped. The Soviets have still not responded concretely to the

proposals we made in November. In regard to the one area in the Soviet announcement of January 15 which offered some hope for progress, INF, the U.S. has already tabled in Geneva a concrete new proposal to eliminate such weapons by the end of the decade. Here, too, the lack of a concrete Soviet response has been disappointing. Our negotiators are ready for serious bargaining, and if the Soviets show similar flexibility progress can be made.

#### *Asian Stability and Economic Development*

*Q.* On the occasion of your visit to Indonesia and meeting with ASEAN [Association for South East Asian Nations] leaders in advance of Tokyo summit, what policies would you state for stability and economic development of Asian countries, such as increased economic and military assistance to Aquino government of the Philippines after the change of the leadership in which the U.S. played an important role?

*The President.* Under President Soeharto's leadership, Indonesia has made impressive strides in economic development and become an increasingly active player on the world stage. ASEAN is the central pillar of U.S. policy in Southeast Asia and an impressive example of cohesion and common purpose. We support ASEAN's strategy for bringing about a Vietnamese withdrawal from Cambodia and the restoration of Cambodian independence. The U.S. shares with ASEAN a commitment to a free market system. We want to work together to strengthen that system and to resist protectionism.

We have discussed Philippine assistance needs and priorities with President Aquino's government and with other major bilateral and multilateral donors. We want to help the new Philippine Government meet pressing financial needs and bolster the efforts of democratic forces in that country to address the serious economic and security challenges facing them, including the threat posed by the Communist insurgency.

#### *Korea*

*Q.* Would you think of specific steps taken by the U.S. Government to ease ten-

sions surrounding South Korea, who is sponsoring Asian games this summer and 1988 Olympic games?

*The President.* The future of the Korean Peninsula, of course, is a matter primarily for the Korean people to decide. That is why the north-south dialog is so important. In our view, it is key to reducing tensions on the Korean Peninsula. Therefore, we support that dialog and hope that North Korea will resume it as soon as possible.

Other initiatives designed to reduce tensions include the confidence-building measures we have proposed in the Military Ar-

mistice Commission at Panmunjom. These measures include proposals such as restoring the integrity of the Demilitarized Zone. We hope North Korea will address this problem in good faith.

We are pleased to see South Korea hosting important events like the Asian games and the Olympics. Looking toward the 1988 games, we will do what we can to ensure a successful Olympics.

*Note: The interview was released by the Office of the Press Secretary on April 11.*

## Message to the Congress Transmitting the Annual Report on International Activities in Science and Technology *April 11, 1986*

*To the Congress of the United States:*

In accordance with Title V of the Foreign Relations Authorization Act for Fiscal Year 1979 (Public Law 95-426), I am transmitting the Administration's Annual Report on the international activities of U.S. government agencies in the fields of science and technology for Fiscal Year 1985. The report was prepared by the Department of State in cooperation with other relevant agencies, consistent with the intent of the legislation.

During 1985, science and technology played a prominent role in our diplomacy. The United States is increasingly seen as the world leader in this field. National leaders and the general public see science and technology as a key to the solution of a wide variety of national and international problems. Such views are neither narrowly partisan nor without foundation. Indeed, it is significant to note that regardless of political ideologies or stage of development, many countries are not only anxious to engage in government-to-government cooperation with us, but also genuinely appreciative of cooperative scientific programs.

International science and technology cooperation, for the United States, takes place primarily in the private sector and outside the purview of government-to-government agreements. This cooperation can take the

form of scholarly exchanges or research funded by private business and corporations. The Executive branch funds research where long lead time, large amounts of resources, and difficulty of capturing results make such efforts appropriate for government activities. It also funds research in essential areas not covered by the private sector, such as national defense and major parts of the space program. The international components of federally funded programs in the domestic agencies provide opportunities for unique collaboration or cost-sharing to extend the limited resources available. All are supportive of our domestic programs and priorities.

The international science and technology activities of agencies should demonstrate comparable technical merit, and return for the resources expended, to activities that take place within the United States. In this way, the United States is assured that the resources committed provide solid, technical returns. It is also the best way of ensuring that international cooperation is positive and more likely to produce foreign policy benefits. Experience has shown that international science and technology cooperation, where it is proposed primarily for foreign policy reasons, and with little inherent scientific or technical benefit, is not produc-

tive and does not sustain support in the agencies and the Congress. Foreign policy benefits are best assured if international activities are soundly grounded in technical benefits for the missions and programs of the agencies that fund them.

Programs in science and technology have become an increasingly valuable tool in the conduct of our relations with both developed and developing nations and, during 1985, they continued to play a meaningful role in the diplomacy of the United States. Through our cooperation with developed nations, we benefit from intellectual collaboration with other highly trained scientists and technical experts, and cost-sharing of expensive experimental facilities in advanced scientific areas. Our partners also gain from the collaboration and access to new technologies that have the potential to fuel economic growth. In 1985, our cooperation with developing nations also emphasized the contributions of science and technology to economic growth; however, the technologies emphasized were those appropriate to solving the problems of developing societies. We believe that bilateral arrangements with developing countries are one of the most effective ways of obtaining foreign policy benefit for the United States.

Major focuses for our cooperative programs in 1985, particularly with developed countries, were in areas of high mutual scientific interest. The space program is one such example. In addition to international participation in the space shuttle programs, 1985 also saw the signing of a Memorandum of Understanding on the Space Station Project with Canada, Japan, and the European Space Agency, establishing a basis for cooperation over the next two years. As we enter the twenty-first century, we should note that U.S. leadership in space is fostered by international cooperation which has enhanced the standing of the United States in the world community.

Among the developing nations, our major, high visibility programs continue to be in the People's Republic of China and India. Our maturing science and technology cooperation with China, a cornerstone in our expanding relationship, is now in its

eight year and is our largest government-to-government program. Not a part of our foreign assistance program, science and technology cooperation is based upon mutual benefit as are our other international exchanges. The Chinese have also added additional activities more attuned to their own interests on a reimbursable basis. We credit the doors opened by our successful science and technology program with contributing positively to the recent reforms made by the Chinese.

Our science and technology program with India functions on two levels—one is the continuation of our long-term cooperation in many fields, the other is the more focused Presidential Initiative, which because of its success was extended for an additional 3 years in 1985.

Our bilateral science and technology relationship with the Soviet Union saw some positive movement during 1985. At the Geneva Summit Meeting, we and the Soviets issued a joint statement encouraging further U.S.-Soviet collaboration in science and technology. In addition, we began a careful evaluation of how science and technology can and should be used to improve bilateral relations with the Soviets.

Our international science and technology activities continued as an integral and important part of our foreign policy during 1985 in many forms and on many levels as described in detail in the report I am transmitting. We have looked for ways to pool resources for high-cost projects. We have emphasized collaboration as the means for finding solutions to problems that are international in scope. Our efforts sought to assist the developing countries in their quest for a better life and to strengthen our alliances. Finally, our international science efforts underscored our commitment to maintaining the United States as a world leader in scientific and technological excellence for peaceful purposes and for the benefit of mankind.

RONALD REAGAN

The White House,  
April 11, 1986.

## Message to the Congress Transmitting the Annual Report on Radiation Control for Safety and Health

*April 11, 1986*

*To the Congress of the United States:*

In accordance with Section 360D of the Public Health Service Act, I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act during calendar year 1985.

The report recommends that Section 360D of the Public Health Service Act that requires the completion of this annual report be repealed. The Senate, in passing S. 992, the "Congressional Reports Elimination Act of 1985," included a provision re-

pealing this requirement. All of the information found in this report is available to Congress on a more immediate basis through Congressional committee oversight and budget hearings and the FDA Annual Report. This annual report serves little useful purpose and diverts Agency resources from more productive activities.

RONALD REAGAN

The White House,  
April 11, 1986.

## Letter to the Speaker of the House of Representatives and the President of the Senate on the Designation of Aruba as a Beneficiary Country for Purposes of the Generalized System of Preferences and the Caribbean Basin Recovery Act

*April 11, 1986*

*Dear Mr. Speaker: (Dear Mr. President:)*

On December 19, 1985, pursuant to Section 502 of the Trade Act of 1974, I informed you of my intent to designate Aruba as a beneficiary of the Generalized System of Preferences (GSP) program. Pursuant to Section 212 of the Caribbean Basin Economic Recovery Act (CBERA), I now wish to inform you of my intent to designate Aruba as a beneficiary of the trade-liberalizing measures provided for in the CBERA program.

On January 1, 1986, Aruba became independent of the Netherlands Antilles, a GSP and CBERA beneficiary country. As a developing country and a successor political entity to a former part of the Netherlands Antilles, Aruba is eligible to be designated as a GSP and CBERA beneficiary. Aruba's prior conduct as a beneficiary, together with recent assurances of the government of Aruba, have demonstrated to my satisfaction that its laws, practices, and policies will remain in conformity with the statutory

designation criteria of the GSP and CBERA programs.

Designation will entitle Aruba to continue to enjoy in its separate capacity the same duty-free treatment for nonexcluded products that Aruba enjoyed when it was part of the Netherlands Antilles. As a CBERA beneficiary, Aruba will continue to have the opportunity to become eligible for the convention expense tax deduction under Section 274(h) of the Internal Revenue Code of 1954, by entering into an exchange of information agreement with the United States on tax matters.

The proclamation will be made retroactive to January 1 to avoid any hiatus in Aruba's benefits. The GSP program expires on July 4, 1993; the CBERA program expires on September 30, 1995.

This Administration looks forward to working closely with the Aruban government and with the private sectors of the United States and Aruba to ensure that the wide-ranging opportunities opened by the



CBERA are fully utilized.

Sincerely,

RONALD REAGAN

*P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate. The original was not available for verification of the content of this letter.*

*Note: Identical letters were sent to Thomas*

**Proclamation 5458—To Designate Aruba as a Beneficiary Country for Purposes of the Generalized System of Preferences and the Caribbean Basin Recovery Act**  
**April 11, 1986**

*By the President of the United States of America*

**A Proclamation**

1. Section 502 of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2462), authorizes the President to designate the countries that will be beneficiary developing countries for purposes of the Generalized System of Preferences (GSP) pursuant to Title V of the Trade Act (19 U.S.C. 2461 *et seq.*). Such countries are entitled to duty-free entry of eligible articles imported directly therefrom into the customs territory of the United States. Among the countries previously designated as a GSP beneficiary is the Netherlands Antilles, which was included in the list of non-independent countries and territories eligible for benefits of the GSP. Aruba was a part of the Netherlands Antilles at the time of its designation, but has since become a separate and successor political entity.

2. In light of the independence of Aruba from the Netherlands Antilles, and having due regard for the eligibility criteria set forth in Section 502 of the Trade Act (19 U.S.C. 2462), I hereby designate Aruba as a beneficiary developing country for purposes of the GSP.

3. Section 212 of the Caribbean Basin Economic Recovery Act (CBERA) (19 U.S.C. 2702) authorizes the President to designate the countries, territories, or successor political entities thereto that will be beneficiary countries for purposes of the CBERA (19 U.S.C. 2701 *et seq.*). Such countries are entitled to duty-free entry of eligible articles imported directly therefrom

into the customs territory of the United States. Among the countries previously designated as a beneficiary country for purposes of the CBERA is the Netherlands Antilles. Aruba was a part of the Netherlands Antilles at the time of its designation, but has since become a separate and successor political entity.

4. In light of the independence of Aruba from the Netherlands Antilles, and having due regard for the eligibility criteria set forth in Section 212 of the CBERA (19 U.S.C. 2702), I hereby designate Aruba as a beneficiary country for purposes of the CBERA.

5. Section 604 of the Trade Act (19 U.S.C. 2483) confers authority upon the President to embody in the Tariff Schedules of the United States (TSUS) the substance of the relevant provisions of that Act, of other acts affecting import treatment, and of actions taken thereunder.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including but not limited to Title V and Section 604 of the Trade Act of 1974, and Sections 211 through 213 of the Caribbean Basin Economic Recovery Act, do proclaim that:*

(1) General headnote 3(e)(v)(A) to the TSUS, listing those countries and areas eligible for benefits of the GSP, is amended by inserting in alphabetical sequence, in the list of independent countries, "Aruba".

(2) General headnote 3(e)(vii)(A) to the TSUS, listing those countries designated as

beneficiary countries for purposes of the CBERA, is modified by inserting in alphabetical sequence "Aruba".

(3) The amendments made by this proclamation shall be effective with respect to articles both: (a) imported on or after January 1, 1976, and (b) entered, or withdrawn from warehouse for consumption, on or after January 1, 1986.

*In Witness Whereof*, I have hereunto set

my hand this 11th day of April in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:02 a.m., April 14, 1986]*

## **Nomination of Robert Brendon Keating To Be United States Executive Director of the International Bank for Reconstruction and Development**

***April 11, 1986***

The President today announced his intention to nominate Robert Brendon Keating to be United States Executive Director of the International Bank for Reconstruction and Development for a term of 2 years. He would succeed James B. Burnham.

Since 1983 he has been serving as United States Ambassador to the Democratic Republic of Madagascar and the Federal Islamic Republic of the Comoros. He also served as Chairman of the President's Third World Hunger Study in 1983-1984. He was United States delegate to the Law of the

Sea Conference and technical director for the Law of the Sea Treaty Review in 1981-1982. He was a consultant in International Security Affairs in the Office of the Secretary of Defense in 1981-1983. He served as vice president of Pure Water Systems, Inc., in 1979-1981.

Ambassador Keating graduated from the United States Naval Academy (B.S., 1946) and Georgetown University (M.E.A., 1961). He is married, has one child, and resides in Washington, DC. He was born May 7, 1924, in Medford, MA.

## **Nomination of Lilla Burt Cummings Tower To Be a Member of the Board for International Broadcasting**

***April 11, 1986***

The President today announced his intention to nominate Lilla Burt Cummings Tower to be a member of the Board for International Broadcasting for the remainder of the term expiring May 20, 1986, vice Frank Shakespeare, and for a term expiring May 20, 1989, reappointment.

Mrs. Tower served as Director of the Institute of Museum Services, National Foundation on the Arts and the Humanities, in 1981-1983. Previously she was an attorney in private practice. In 1973 she was ap-

pointed by the mayor of the District of Columbia to the Board of Zoning Adjustment and reappointed in 1974. She served as an economist and assistant to the chief economist, Rand Corp., in 1950-1953; assistant director of political and legislative research, Congressional Quarterly News Features, Inc., in 1949-1950; and graduate and undergraduate assistant in economics, George Washington University, in 1948-1950.

Mrs. Tower graduated from George Washington University (A.B., 1949; J.D.,

1960) and Georgetown University (L.L.M., 1965). She is married, has one child, and

resides in Washington, DC. She was born October 6, 1928, in Philadelphia, PA.

## **Statement on the Death of Congressman Joseph P. Addabbo of New York**

*April 11, 1986*

The Nation's Capital is saddened today over the death of Joseph Addabbo, a congressional leader who aggressively fought for his ideals for more than 25 years in the House of Representatives.

Congressman Addabbo was a strong voice for policies which he believed would make this a more peaceful world. He rose to prominence in the early 1970's and, by the end of that decade, was recognized as one of the leading players in the development of American military policy. As chairman of

the House Appropriations Subcommittee on Defense, his strong convictions and unrelenting opposition to what he considered ineffective defense spending made him a powerful force on Capitol Hill. Congressman Addabbo was widely respected for his knowledge of defense issues even by those who disagreed with him. His genial style was in keeping with the best traditions of American politics. He will be missed by those he represented in New York's Sixth District and by all who worked with him.

## **Radio Address to the Nation on the Federal Budget**

*April 12, 1986*

### *My fellow Americans:*

I'd like to speak this afternoon about our nation's budget and your own. By April 15th, the same date by which you and I must file our Federal income tax returns, the Congress is required by law to pass a budget resolution. This resolution must tell in outline form how much the Congress intends to spend in 1987 and how it intends to raise this money from you, the American people. As the Congress puts this budget outline together, there is good news and bad news.

The good news is that, in large part, as a result of our policies of low taxes and limited government, our economy is breaking records. Inflation is at its lowest level in nearly a decade and a half. Interest rates have toppled. The prime rate, which was running at more than 21 percent when we took office 5 years ago, has fallen to just 9 percent, the lowest point in nearly 8 years. And as interest rates continue to fall, mortgage rates are coming down, making it

much easier to buy homes.

One piece of good news deserves special mention: the dramatic drop in oil prices. When our administration took office, we at once decontrolled the price of oil. Some predicted this would send gas prices at the pump through the roof; not so. The production of oil and other fuels increased, putting pressure on the OPEC oil cartel. Today the OPEC cartel has been dramatically undercut, and oil prices have collapsed from about \$34 per barrel in 1982 to about \$13. Some are having to make a difficult adjustment to these new, lower prices. But overall, less expensive oil represents a tremendous boon to our economy. Already, you're beginning to pay less for petroleum products of all kinds, including heating oil and gasoline. Isn't it good to be able to put a gallon of gas in the car for less than a dollar again?

The good news, in the largest sense, is that our nation now has the chance to continue building sustained and vigorous eco-

conomic growth, the likes of which we haven't seen since the 1950's and 1960's—a lasting era of good times and prosperity. We need only bring marginal tax rates down lower and get government spending under control, cutting the Federal budget, not the family budget.

Now for the bad news: As the April 15th deadline approaches—the deadline American taxpayers must meet whether we want to or not—the budget resolution the Congress must put together is nowhere near completion. In the meantime, the leadership of the House of Representatives is resisting all attempts to control spending. Indeed, a supplemental appropriations bill now under House consideration would include provisions which could increase Federal expenditures over \$30 billion over the next 3 years and take away my authority to defer needless spending. And in the Senate recently the Budget Committee voted in favor of a plan that over 3 years would raise your taxes by nearly \$50 billion.

Part of the problem here is misguided thinking. Many don't understand that the real trouble isn't just the Federal deficit itself, but government overspending. You see, the more the Government spends, the more resources it takes from the private sector, the greater the upward pressure on interest rates, and the lower the rate of economic growth. Whether the Government obtains its funds through taxation or borrowing, the root problem remains the same—government use of spending to take over more and more of the economic life of

our nation. This smothers the private sector incentives that keep our economy vibrant. A tax hike now would only encourage the Congress to spend more. All that we've worked so hard to achieve, all the good economic news, could be harmed. That's why I want to say to you again today: My veto pen is inked up and ready to go. Sometimes a President just has to spell relief, V-E-T-O.

We submitted a budget to the Congress last February that meets the deficit-shrinking requirements set by the Gramm-Rudman-Hollings act, and does so while avoiding a tax hike. At the same time, our budget keeps America's defenses strong. We also urge the Congress to pass a balanced budget amendment to the Constitution and a proposal to give each President a line-item veto—two measures that would make certain, once and for all, that government spends no more than government takes in. My friends, that's all it would take—just the line-item veto and the balanced budget amendment, a strong defense, a responsible budget, and a commitment to lower marginal tax rates further—to turn all the good economic news of recent days into the beginnings of a new and lasting prosperity. Isn't it time the Congress got government out of the way and let the good times roll?

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## Remarks Following Discussions With Prime Minister Yasuhiro Nakasone of Japan

*April 14, 1986*

*The President.* Prime Minister Nakasone and I have just completed 2 days of discussions on bilateral and global issues. And I'm happy to report that the relationship between our two countries remains strong and vital. Our meeting has reaffirmed my conviction that the close relationship between us is of immense importance for our two

peoples and for the rest of the world. The friendship between our two nations is mirrored in the personal respect and affection that the Prime Minister and I have for each other, an affection that is held also by the Japanese and American peoples.

Yesterday at Camp David and this morning here at the White House we had, as

always, much to talk about. In discussing relations between the United States and the Soviet Union, including arms control, the Prime Minister expressed his support for efforts towards the convening of a summit meeting with the Soviet Union. We agreed on the need for the democratic nations to remain united. We also reviewed our defense relationship and reaffirmed that the U.S.-Japan treaty of mutual cooperation and security is the foundation of peace and stability in the Far East and the defense of Japan.

As you can imagine, the state of U.S.-Japan trade relations was a major topic during our meeting. But I told the Prime Minister that this issue is one of vital concern to all Americans, as reflected in the strong views of many in Congress. We agreed on the necessity to continue to intensify efforts to expand trade through better market access. The Prime Minister informed me that he is dedicated to fulfilling Japan's responsibility as the free world's second largest economic power to strengthen the international trading system. He and his government are committed to a national goal of reducing Japan's trade surpluses. The Prime Minister also informed me of an important, recent report which outlines some very significant changes that Japan intends to make. He is determined to implement fundamental policy changes, and I applauded the Prime Minister's commitment to leading his nation toward an economic future more in harmony with the needs of global economy.

The Prime Minister and I agreed on the vital importance that this plan involve a strategic increase—or, pardon me, a significant increase in Japanese imports, particularly of manufactured and other high, value-added goods. In a similar spirit, I committed my administration to launch a strengthened program to promote exports to Japan. The trade imbalance between the United States and Japan results from complex factors that will take time, vigorous efforts, and patience to correct. There are no quick or easy fixes, but we do know protectionism is not the answer. We've already made substantial progress and are convinced that working together, with urgency and commitment, we'll find ways to

solve our problems through a trading relationship that is both balanced and extraordinary.

As part of this common effort, I've asked Secretaries Shultz and Baker, and the Prime Minister is instructing his relevant ministers, to pull together a broad group of high-level officials to discuss structural economic issues of mutual concern. We will continue work on better market access. We discussed the Tokyo summit. Its preparations are going well, and the Prime Minister and I are looking forward to continuing our discussion next month in Tokyo with the expectation that the summit will register a message of bright hope for the future. We discussed a number of other regional topics, focusing on Asia, and shared in particular our thoughts on the progress being made by the new government in the Philippines and on the importance of assisting that government in dealing with its national problems.

I note that Japan has become the second largest donor of economic assistance worldwide. Our governments will continue close consultations to increase the effectiveness of our individual contributions. The Prime Minister and I agree that we both have complex problems and immense opportunities before us. The key to realizing the full potential of this unique bilateral relationship is mutual understanding and close cooperation. Together, there is nothing we cannot accomplish, and I might add that that was the spirit of our discussion during these past 2 days.

*The Prime Minister.* President Reagan and I met in a relaxed atmosphere over the weekend. The President and I share the views that we should work together to send throughout the Tokyo summit a message of a bright prospect for and confidence in the future to the peoples of the world—the developed and developing alike. We reaffirmed the importance of promoting world peace and disarmament, and of the U.S.-Soviet summit in this regard, and the necessity of promoting the new round of multilateral trade negotiations for the furtherance of the free trading system. The President and I had a frank exchange of views on economic issues between our two coun-

tries.

Upon hearing once again the President's strong determination to continue his resolute fight against protectionism, I expressed my firm support to him. I also discussed with him the role to be played by Japan to the same end. Japan upholds the principle of free trade. I talked with the President about these steps we have taken to improve Japan's market access in the past years and told him that Japan will continue its efforts to this end. The President and I share the recognition that a change which has taken place in the yen-dollar exchange rates will contribute to the adjustment of the trade relations between Japan and the United States. I told the President that Japan is determined to work at its national policy goal toward steadily reducing the current account imbalance to one consistent with international harmony. To this end, I believe that Japan must tackle the epoch-making task of structural adjustment and transform its economic structure into one dependent on domestic demand, rather than exports leading to a significant increase in imports, particularly of manufactured products. Recently, my private advisory group produced a report containing many variable recommendations in this regard. In order to translate the recommendations into policies, the Government will set up a promotion headquarters which will formulate a work schedule very shortly.

Structural adjustment is no easy task in any country. But Japan must effect an historic turn, and I am determined to accept that challenge. The President wholeheartedly welcomed this approach. At the same time, I hope that other countries will also deal with their own difficult problems through structural adjustment. Better convergence on policies among the nations concerned will be a key to revitalization of the world economy. The President and I welcomed the agreement reached yesterday to hold the bilateral dialog of higher shelves on structural problems.

I pay my respect to the President for his strong determination to work towards more stable East-West relations and substantial reduction of nuclear weapons and strongly hope that the momentum for U.S.-Soviet dialog spurred by a summit meeting be-

tween the two leaders last November will move forward steadily. The President and I reaffirm the importance of maintaining close communication and coordination among the countries of the free world. In this connection, I told the President that I highly value his efforts toward the total elimination of INF on a global basis with adequate consideration to the Asian region.

In our discussions on regional issues, the President and I reaffirmed the need for Japan and the United States to further cooperate for the development and stability of the Philippines and their President Aquino, and for us each to contribute to the stability of Central America and other countries, and to the improvement of economic situations and easing of the debt burden of the European countries. I expressed to the President my appreciation for the fact that the defense relationship between Japan and the United States is now better than ever before and told him that Japan intends to proceed further with its efforts on its own initiative to improve its defense capabilities, together with further strengthening the credibility of the Japan-U.S. security arrangements.

Mr. President, I am very happy to have been able at your kind invitation to come to meet you in spring green of Camp David, to reaffirm my unshakable friendship with you. Today the cooperative relationship between Japan and the United States is expanding its truly global dimensions and is ever growing in importance. I am convinced that we can overcome whatever obstacles may stand in our way and make great contributions to peace and prosperity of all the peoples of the world if our two peoples trust each other and make the best possible use of the vigor of each.

Thank you.

*Note: The President spoke at 11:32 a.m. in the Rose Garden at the White House. Earlier, the President and the Prime Minister met in the Oval Office. George P. Shultz was Secretary of State, and James A. Baker III was Secretary of the Treasury. On April 13, the President and the Prime Minister met at Camp David, MD.*

**Letter to the Speaker of the House of Representatives and the  
Chairman of the Senate Foreign Relations Committee Reporting on  
the Cyprus Conflict**

*April 14, 1986*

*Dear Mr. Speaker: (Dear Mr. Chairman:)*

In accordance with Public Law 95-384, I am submitting to you a bimonthly report on progress toward a negotiated settlement of the Cyprus question.

Since my last report, the United Nations Secretary General has taken a further important step in his initiative to achieve a Cyprus settlement. This initiative was launched in August 1984 and since that time has involved extensive discussions between UN officials and negotiators for the two Cypriot communities. On March 29, the Secretary General provided to Greek and Turkish Cypriot representatives in New York a draft agreement incorporating a framework for a future Federal Republic of Cyprus and establishing a negotiating process for working toward an overall settlement. If accepted by the parties, the agreement would lead to direct negotiations on such fundamental issues as troop withdrawals, international guarantees, and freedom of movement, freedom of settlement, and right to property; and to further elaboration of constitutional and territorial arrangements essential to a fair and final settlement.

Under the agreement's terms, the Secretary General would convene periodic summit meetings between the leaders of the two Cypriot communities and, under their guidance, working groups would address the issues in detail.

While the Secretary General's document would commit the two Cypriot sides to a process aimed at achieving an overall settlement within an accepted framework, it is our understanding that, under his "integrated-whole" approach, the positions taken by the parties at any stage in the course of negotiations would not be final until all issues were resolved, to their mutual satisfaction.

During his recent trip to Turkey and Greece, Secretary Shultz expressed the strong support of the United States for the current effort of the UN Secretary General and encouraged those governments to do the same.

The Secretary General's initiative presents the leaders of the two Cypriot communities with a historic opportunity to begin a process toward peace and reconciliation. The United States hopes the parties will embark on this path and that their leaders will work with the Secretary General in this effort to achieve a just and lasting Cyprus settlement.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Richard G. Lugar, chairman of the Senate Foreign Relations Committee.*

*Apr. 14 / Administration of Ronald Reagan, 1986*

## Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Export-Import Bank of the United States

*April 14, 1986*

*Dear Mr. Speaker: (Dear Mr. President:)*

This report is being transmitted pursuant to Section 7(a)(2) of the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635e(a)(2)(A)(ii)). I have determined that the authority available to the Bank for fiscal year 1986 is sufficient for loans but is more than sufficient to meet the current estimate of the guarantee needs of the Bank. This estimate was based upon the transactions already approved, applications received by the Bank, and projections of the level of business likely for the remainder of the fiscal year.

I am not seeking legislation to rescind

any authority of the Bank. Estimates of demand for Export-Import Bank financing can change quickly. Continued growth in the U.S. economy and global recovery could create unexpected demand. Therefore, I have concluded that the statutory fiscal year 1986 limit for Eximbank authority should be retained unchanged.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.*

## Nomination of Warren Zimmermann for the Rank of Ambassador While Serving as Chief of the United States Delegation to the Conference on Security and Cooperation in Europe

*April 14, 1986*

The President today announced his intention to nominate Warren Zimmermann for the rank of Ambassador in his capacity as Chief of the United States delegation to the Vienna Conference on Security and Cooperation in Europe followup meeting.

Mr. Zimmermann was a staff reporter for the Munroe News Bureau in Washington, DC, from 1960 to 1961. He began his career in the Foreign Service in 1961. From 1962 to 1964, he served as consular and political officer in Caracas, Venezuela. In 1964 he was assigned to the Foreign Service Institute to study Serbo-Croatian. From there, in 1965–1968 he served as political officer in Belgrade, Yugoslavia. He returned in 1968–1970 to the Bureau of Intelligence and Research as a Soviet policy analyst. In 1970–1973 he served as a special assistant to the Secretary of State in the Office of the Counselor. In 1973 he studied Russian at the Foreign Service Institute and from

there became deputy counselor for politico-military affairs at the U.S. Embassy in Moscow. In 1975–1977 he returned to the Bureau of European and Canadian Affairs, where he was assigned as a Special Assistant for Policy Planning. In 1977–1980 Mr. Zimmermann was counselor for political affairs at the U.S. Embassy in Paris, France. In 1980–1981 he was Deputy Chairman of the U.S. delegation to the Conference on Security and Cooperation in Europe (CSCE) in Madrid, Spain, and in 1981 became deputy chief of mission at the U.S. Embassy in Moscow. From 1984 to 1985, he was a visiting fellow, Council on Foreign Relations. In 1985 he became deputy to the head of the United States delegation to the arms reduction negotiations in Geneva with the personal rank of Ambassador.

Mr. Zimmermann graduated from Yale University (B.A., 1956) and Cambridge Uni-



versity (M.A., 1958). He served in the U.S. Army in 1959. His foreign languages are Russian, Serbo-Croatian, Spanish, and

French. He is married, has three children, and resides in Great Falls, VA. He was born November 16, 1934, in Philadelphia, PA.

### **Appointment of Frank D. McDonald as a Member of the National Commission for Employment Policy**

*April 14, 1986*

The President today announced his intention to appoint Frank D. McDonald to be a member of the National Commission for Employment Policy for a term expiring September 30, 1988. He would succeed Paul R. Locigno.

Mr. McDonald is president of McDonald Enterprises, Inc., a plastics and industrial

property firm in Newbury Park, CA. He has been active in a number of civic and cultural projects in Thousand Oaks and Ventura County, CA.

Mr. McDonald attended the University of California at Los Angeles. He is single and resides in Thousand Oaks, CA. He was born September 30, 1925, in Santa Monica, CA.

### **Appointment of Trudy McDonald as a Member of the National Commission for Employment Policy, and Designation as Chairman**

*April 14, 1986*

The President today announced his intention to appoint Trudy McDonald to be a member of the National Commission for Employment Policy for a term expiring March 19, 1989. This is a reappointment. Upon her appointment, the President intends to redesignate her Chairman.

Mrs. McDonald has been serving as Chairman of the National Commission for Employment Policy since 1985. Previously, she was director of special education for the

Fremont Unified School District; a member of the executive board of the Fremont School District Administrator's Association; and cochairman of the California Guidance Association.

Mrs. McDonald graduated from San Jose State University (B.A., 1944; M.S., 1961). She resides in Fremont, CA. She was born July 21, 1923, in the Irvington District of Fremont.

### **Nomination of Daniel R. Levinson To Be a Member and Chairman of the Merit Systems Protection Board**

*April 14, 1986*

The President today announced his intention to nominate Daniel R. Levinson to be a member of the Merit Systems Protection Board for the term of 7 years, expiring March 1, 1993. The President also intends to nominate Mr. Levinson to be Chairman

of the Merit Systems Protection Board. He would succeed Herbert E. Ellingwood.

Mr. Levinson is currently General Counsel for the Consumer Product Safety Commission, a position he has held since March 1985. Previously, he was Deputy General

Counsel, Office of Personnel Management, 1983–1985; a partner and associate with the firm of McGuiness & Williams, 1982–1983 and 1977–1981; and an adjunct lecturer at Catholic University of America, 1982, and American University Law School, 1981 and 1982.

Mr. Levinson graduated from the University of Southern California (A.B., 1971), Georgetown University (J.D., 1974), and George Washington University (LL.M., 1977). He is married, has one child, and resides in Falls Church, VA. Mr. Levinson was born March 24, 1949, in New York, NY.

## Remarks at a White House Meeting with the Associated General Contractors of America

*April 14, 1986*

Somebody must have told you that my first job was with a contractor who was remodeling old homes. [*Laughter*] I was 14 years old and before the summer was over I'd laid hardwood floor and shingled roof and dug foundation and all those things. Well, I thank you very much, and welcome back to the White House. I always add the word "complex." They keep telling me that this is part of the White House. You know, I haven't had a cup of coffee here. [*Laughter*]

But I guess I should say that it's hard to believe it has been 5 years since we first met here in Washington. But you probably didn't know that I count my years now in blocks of five so it doesn't seem quite so long to me. [*Laughter*] It's always good to see you, and I want to give a special hello to your newly elected president, Richard Hall. A lot has happened since that first meeting, much of it thanks to your loyal and timely support. I remember asking for your support back in 1981 for our economic recovery program. And because you and millions of hard-working Americans stepped forward, Congress followed your lead and we left those shadows of economic disaster behind. We're rolling on an open highway to a new era of full employment with opportunity for all, and nothing should stop us now.

With oil prices lower, mortgage rates dropping, inflation becoming a memory, 1986 should be a banner year for all who build America. And that begins with the Associated General Contractors. Just as in your industry, we've got to make sure our economic foundation remains strong and

secure so we can build on our 40 months of expansion for the years to come. Keeping our economy strong and secure means government keeping its priorities straight. Unfortunately, just as robins return in the spring and swallows come back to Capistrano, some Members of Congress are back again singing their same song of tax and tax and spend and spend. Well, it's not up to the people to fork over more and more, it's up to Congress to stop overspending and leave the peoples' earnings alone.

I understand that you'll soon be on your way up to the Hill, where many need to hear that message. But right now, there's another message that I'd like to send Congress on an all-important vote—on our resolution to provide aid to the Nicaraguan freedom fighters. The House Democratic leadership plans to place that resolution on to an additional spending bill. And if this happens, the bill could be lost for months in a forest of legislative delays. In other words, even if a majority of House Members vote for aid to the freedom fighters we still wouldn't be able to get the aid to them, and certainly not in time. And we can depend on the Sandinistas to try and destroy them before we got around to it.

We've had a good, honest debate on this issue. And in this system of ours, if you don't get a majority, you lose. But if you do get a majority, you're supposed to win. That's the American way. Well, we won this vote in the Senate, so I can only say that if aid to the freedom fighters wins a majority of the House, but still loses if the will of Congress is thwarted by subterfuge and

backroom deals, then those responsible will have served only to damage this nation's foreign policy. If the House votes yes, but aid doesn't go through, or if the House amends our bill to block the defensive weapons the freedom fighters need, there is no question that the lives of countless young Nicaraguans will be put in jeopardy. There's no question that the cause of peace and democracy will be set back. And there is no question that the judgment of history will hand down a verdict of shame on us all. But if enough Republicans and Democrats unite, if in a bipartisan way we stand up and insist on what is right, fair, and just, then there can be a real victory—victory for the cause of democracy, for the cause of peace, and for honor in America. And let's make sure that we act worthy of ourselves. [Applause]

Thank you very much. And let's make sure that this government acts worthy of the American people. That's the message I'd like to send to Congress; so would all those who are putting their lives—so would all those, I should say, that are putting their lives on the line so that they, like we, may be able to feel free someday. I know that I've done a lot of talking about this, and I know that there've been people who've taken me on for my speech on television and indicated that some of the things I said weren't true. The Sandinista government has, as is typical of Communist-bloc nations, a great disinformation network, highly financed, very effective. And, while every criticism of what I said about the Sandinista government was widely heralded throughout the country and the world, very little attention was given to the repudiation of those critics by authorities in Nicaragua who rode to the rescue and said that what I had told them about the Sandinistas was

absolutely true.

And we have an uphill fight trying to get the people of America to realize that what we're seeing down there is not the overthrow of a legitimate government; the Sandinistas took power at the point of a gun in the revolution to overthrow Somoza. But they were only a part of the revolutionaries. And then, as happens with Communist organizations, they managed to get rid of their other revolutionary allies by execution, by jailing, by exiling them out of the country. The *contras* are made up of many of those other revolutionaries. And all they're asking is a chance for the people of Nicaragua to have what the revolutionaries promised when they were fighting the Somoza national guard, and that was the chance for the Nicaraguan people by their vote to decide the kind of government they want and who should be in office in their country. And any distortion of that does a great injustice to some people who are risking everything they have to try just for that promise that has never been fulfilled. And, as I say, the Sandinista government is not a duly elected, chosen government; it's a gang that took over by force. So, we think that maybe force on them will cause them, perhaps, to be willing to listen to the will of the people of Nicaragua.

So, God bless you all, and I thank you. I feel a little guilty asking you for anything else. You've done so many things when we've asked for your help. And you've been most effective. And that's why I keep asking you for your help—[laughter]—on other things. So, God bless you, and thank you all.

*Note: The President spoke at 1:45 p.m. in Room 450 of the Old Executive Office Building.*

## Statement by Principal Deputy Press Secretary Speakes on the United States Air Strike Against Libya

*April 14, 1986*

U.S. military forces this evening have executed a series of carefully planned air strikes against terrorist-related targets in Libya. These strikes have been completed and our aircraft are returning. Libya bears direct responsibility for the bombing in West Berlin on April 5 that resulted in the death of Army Sergeant Kenneth Ford and injury to a number of American servicemen and others. In light of this reprehensible act of violence and clear evidence that Libya is planning future attacks, the United States has chosen to exercise its right of self-defense. It is our hope this action will preempt and discourage Libyan attacks against innocent civilians in the future.

U.S. forces struck targets that were part of Qadhafi's terrorist infrastructure: the

command and control systems, intelligence, communications, logistics, and training facilities. These are sites which allow Qadhafi to perpetrate terrorist acts. In addition to the strikes at terrorist centers, the President also authorized limited defense suppression missions in order to defend our own forces engaged in this mission. Every effort was made to avoid civilian casualties and limit collateral damage and to avoid casualties to those American servicemen who are participating. The President will address the Nation from the Oval Office at 9 p.m., eastern standard time.

*Note: Larry M. Speakes read the statement to reporters at 7:22 p.m. in the Briefing Room at the White House.*

## Address to the Nation on the United States Air Strike Against Libya

*April 14, 1986*

### *My fellow Americans:*

At 7 o'clock this evening eastern time air and naval forces of the United States launched a series of strikes against the headquarters, terrorist facilities, and military assets that support Mu'ammarr Qadhafi's subversive activities. The attacks were concentrated and carefully targeted to minimize casualties among the Libyan people with whom we have no quarrel. From initial reports, our forces have succeeded in their mission.

Several weeks ago in New Orleans, I warned Colonel Qadhafi we would hold his regime accountable for any new terrorist attacks launched against American citizens. More recently I made it clear we would respond as soon as we determined conclusively who was responsible for such attacks. On April 5th in West Berlin a terrorist bomb exploded in a nightclub frequented by American servicemen. Sergeant Kenneth Ford and a young Turkish woman were

killed and 230 others were wounded, among them some 50 American military personnel. This monstrous brutality is but the latest act in Colonel Qadhafi's reign of terror. The evidence is now conclusive that the terrorist bombing of La Belle discotheque was planned and executed under the direct orders of the Libyan regime. On March 25th, more than a week before the attack, orders were sent from Tripoli to the Libyan People's Bureau in East Berlin to conduct a terrorist attack against Americans to cause maximum and indiscriminate casualties. Libya's agents then planted the bomb. On April 4th the People's Bureau alerted Tripoli that the attack would be carried out the following morning. The next day they reported back to Tripoli on the great success of their mission.

Our evidence is direct; it is precise; it is irrefutable. We have solid evidence about other attacks Qadhafi has planned against the United States installations and diplomats

and even American tourists. Thanks to close cooperation with our friends, some of these have been prevented. With the help of French authorities, we recently aborted one such attack: a planned massacre, using grenades and small arms, of civilians waiting in line for visas at an American Embassy.

Colonel Qadhafi is not only an enemy of the United States. His record of subversion and aggression against the neighboring States in Africa is well documented and well known. He has ordered the murder of fellow Libyans in countless countries. He has sanctioned acts of terror in Africa, Europe, and the Middle East, as well as the Western Hemisphere. Today we have done what we had to do. If necessary, we shall do it again. It gives me no pleasure to say that, and I wish it were otherwise. Before Qadhafi seized power in 1969, the people of Libya had been friends of the United States. And I'm sure that today most Libyans are ashamed and disgusted that this man has made their country a synonym for barbarism around the world. The Libyan people are a decent people caught in the grip of a tyrant.

To our friends and allies in Europe who cooperated in today's mission, I would only say you have the permanent gratitude of the American people. Europeans who remember history understand better than most that there is no security, no safety, in the appeasement of evil. It must be the core of Western policy that there be no sanctuary for terror. And to sustain such a policy, free men and free nations must unite and work together. Sometimes it is said that by imposing sanctions against Colonel Qadhafi or by striking at his terrorist installations we only magnify the man's importance, that the proper way to deal with him is to ignore him. I do not agree.

Long before I came into this office, Colonel Qadhafi had engaged in acts of international terror, acts that put him outside the company of civilized men. For years, however, he suffered no economic or political or military sanction; and the atrocities mounted in number, as did the innocent dead and wounded. And for us to ignore by inaction the slaughter of American civilians

and American soldiers, whether in nightclubs or airline terminals, is simply not in the American tradition. When our citizens are abused or attacked anywhere in the world on the direct orders of a hostile regime, we will respond so long as I'm in this Oval Office. Self-defense is not only our right, it is our duty. It is the purpose behind the mission undertaken tonight, a mission fully consistent with Article 51 of the United Nations Charter.

We believe that this preemptive action against his terrorist installations will not only diminish Colonel Qadhafi's capacity to export terror, it will provide him with incentives and reasons to alter his criminal behavior. I have no illusion that tonight's action will ring down the curtain on Qadhafi's reign of terror. But this mission, violent though it was, can bring closer a safer and more secure world for decent men and women. We will persevere. This afternoon we consulted with the leaders of Congress regarding what we were about to do and why. Tonight I salute the skill and professionalism of the men and women of our Armed Forces who carried out this mission. It's an honor to be your Commander in Chief.

We Americans are slow to anger. We always seek peaceful avenues before resorting to the use of force—and we did. We tried quiet diplomacy, public condemnation, economic sanctions, and demonstrations of military force. None succeeded. Despite our repeated warnings, Qadhafi continued his reckless policy of intimidation, his relentless pursuit of terror. He counted on America to be passive. He counted wrong. I warned that there should be no place on Earth where terrorists can rest and train and practice their deadly skills. I meant it. I said that we would act with others, if possible, and alone if necessary to ensure that terrorists have no sanctuary anywhere. Tonight, we have.

Thank you, and God bless you.

*Note: The President spoke at 9 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.*

## Proclamation 5459—Pan American Day and Pan American Week, 1986

April 14, 1986

*By the President of the United States  
of America*

### *A Proclamation*

The peoples of the Western Hemisphere are bound together by a shared belief in peace, prosperity, justice, and freedom.

The Organization of American States is the embodiment of that common commitment to these basic principles through its Charter and the Rio Treaty. As one of the oldest international organizations in existence, the OAS has worked vigorously to broaden peaceful exchanges between the peoples it represents and the world community; to reduce the tensions and conflicts arising within the Hemisphere; and to stoutly resist aggressive threats from outside. The record of the OAS in the peaceful settlement of disputes, the promotion of democratic values, and the protection of human rights has earned worldwide respect and admiration.

The Charter of the OAS clearly expresses the belief of the peoples of the region in the effective exercise of representative democracy. There are currently more democratic states in this Hemisphere than at any other time in history, an eloquent witness to the solid progress in this area.

Recently, the OAS began an effort to revitalize the inter-American system, to enhance its peacekeeping role, to strengthen its dedication to human rights, and to increase its effectiveness in improving living conditions for all who dwell in this Hemisphere.

sphere.

On this Pan American Day of 1986, the people of the United States extend a warm and friendly greeting to all our neighbors in the Americas. We reaffirm our active support for the Organization of American States and the goal of Hemispheric amity and solidarity. We renew our solemn commitment to those principles to which the members of the OAS wholeheartedly pledged themselves at the December 1985 General Assembly in Cartagena.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Monday, April 14, 1986, as Pan American Day, and the week beginning April 13, 1986, as Pan American Week. I urge the Governors of the fifty States, and the Governor of the Commonwealth of Puerto Rico, and officials of other areas under the flag of the United States of America to honor these observances with appropriate activities and ceremonies.

In Witness Whereof, I have hereunto set my hand this fourteenth day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:26 p.m., April 15, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on April 15.*

## Statement by Principal Deputy Press Secretary Speakes on the United States Air Strike Against Libya

April 15, 1986

As of this morning, 16 of the 18 F-111 fighter bombers have returned to their base in Mildenhall, England. One plane, which

developed mechanical problems en route, has landed in Spain. One F-111 remains unaccounted for. A naval and air search op-

eration is currently underway to locate this aircraft. All carrier-based aircraft have returned safely to the carriers without incident.

In our assessment of the situation, we believe that we have struck a blow against terrorism. We have sent a message to Qadhafi. Our objective was to inflict damage to Qadhafi's capability to direct and control the export of international terrorism.

The United States, and for that matter all freedom-loving peoples of the world, cannot tolerate terrorism. When we can clearly identify those responsible for terrorist acts, we will hold them accountable. The goal, therefore, was to strike targets in a

way that would damage Qadhafi's ability to perpetrate terrorist acts. We wanted to show that such attacks are a consequence of undertaking terrorist actions, that terrorism cannot be supported without incurring a heavy price. We have successfully accomplished both objectives. We hope this action will deter future terrorist attacks. It was to send a clear message that we will no longer tolerate death of innocent Americans and others. We are confident this message was heard and understood.

*Note: Larry M. Speakes read the statement to reporters at 9:26 a.m. in the Briefing Room at the White House.*

## **Appointment of H. Monroe Browne as a Member of the President's Commission on White House Fellowships**

*April 15, 1986*

The President today announced his intention to appoint H. Monroe Browne to be a member of the President's Commission on White House Fellowships. This is an initial appointment.

Mr. Browne is currently a self-employed businessman in San Francisco, who recently served as United States Ambassador to New Zealand in 1981-1985. He was president and chief executive officer of the Institute for Contemporary Studies in San Francisco in 1976-1981. And previously, he served as

management representative on the first appeals board of the California Occupational Safety and Health Administration, 1972-1974; as president of Browne Cattle Co., Inc., 1948-1981; and as president of Hartman Concrete Materials Co., 1950-1970.

Mr. Browne graduated from the University of California at Los Angeles (A.B., 1939). He is married, has three children, and resides in San Francisco, CA. He was born May 9, 1917, in Long Beach, CA.

## **Appointment of William C. Doherty, Jr., as a Member of the Presidential Task Force on Project Economic Justice**

*April 15, 1986*

The President today announced his intention to appoint William C. Doherty, Jr., to be a member of the Presidential Task Force on Project Economic Justice. This is an initial appointment.

Mr. Doherty is currently executive director of the American Institute for Free Labor Development, a position he has held since 1965. Previously, he was director of

the institute's social projects department, 1962-1965; inter-American representative of the Postal, Telegraph, and Telephone International (PITTI) in Latin America, 1955-1962; and assistant director of the regional activities department of the International Confederation of Free Trade Unions (ICFTU) in Brussels, 1952-1955.

Mr. Doherty graduated from Catholic

University (B.A., 1951). He is married, has eight children, and resides in McLean, VA.

Mr. Doherty was born December 26, 1926, in Cincinnati, OH.

## Remarks at a White House Meeting With Members of the American Business Conference *April 15, 1986*

Thank you very much, and welcome to the White House. I've never gotten over feeling strange when I say that, but they tell me that I'm supposed to call it part of the White House. *[Laughter]*

Before discussing the topic at hand, let me talk to you briefly about the events that took place last night. Yesterday, as you know, pilots of the air and naval forces of the United States spoke to the outlaw Libyan regime in the only language that Colonel Qadhafi seems to understand. They performed courageously. Two of our airmen are missing. But let us be clear: Yesterday the United States won but a single engagement in the long battle against terrorism. We will not end that struggle until the free and decent people of this planet unite to eradicate the scourge of terror from the modern world.

Terrorism is the preferred weapon of weak and evil men. And as Edmund Burke reminded us: In order for evil to succeed, it's only necessary that good men do nothing. Yesterday we demonstrated once again that doing nothing is not America's policy; it's not America's way. America's policy has been and remains to use only force as a last result—or resort, I should say. We would prefer not to have to repeat the events of last night. What is required is for Libya to end its pursuit of terror for political goals. The choice is theirs.

Yet let us not underestimate the reach of Qadhafi's terror. He's tried to subvert half a dozen countries on his own continent of Africa and has had Libyan students and dissidents murdered in faraway capitals. And I would remind the House voting this week that this archterrorist has sent \$400 million and an arsenal of weapons and advisers into Nicaragua to bring his war home to the United States. He has bragged that he is

helping the Nicaraguans because they fight America on its own ground. We do not underestimate the brutality of this evil man, but Colonel Qadhafi ought not to underestimate either the capacity or legitimate anger of a free people.

Now on to other subjects. It's great to be together again with old friends and allies. And special greetings to Arthur Levitt and Jack Albertine. I know that this is Jack's last year with the ABC. And, Jack, you have my very personal thanks for all of the support that you've given this administration and our pro-opportunity policies. And I bet everyone here and in the White House joins me in saying congratulations for a job well done.

You know, it was last year before this group that I told the tax hikers in Congress that if they wanted to send me a tax increase, well, go ahead, make my day. *[Laughter]* I got that line from Clint Eastwood—*[laughter]*. Although now that the voters of Carmel, California, elected him mayor, I suppose I should say, Mayor Eastwood. *[Laughter]* I have to confess that I'm amazed that a Hollywood actor who costarred with a monkey could ever make it in politics. *[Laughter]* Of course, the American Business Conference has helped make our year a—well, you've helped make more than my day—make it a banner year of entrepreneurship and innovation, laying the foundation for what I'm convinced can become a decade of vibrant economic growth.

We've already had 41 straight months of expansion and created an average of about 250,000 new jobs a month. Employment this year is the highest in history. Almost \$2.5 billion was committed to venture capital in 1985. We reached a new high in business incorporations, and America today



is spending more on new plant and equipment than ever before. And the good economic news continues to flood in. Because we've kept the tax hikers at bay and begun to lighten the government burden on the private sector, our economy is breaking records. Wholesale prices are dropping. Inflation overall is at the lowest level in nearly a decade and a half. Interest rates are falling; and as interest rates fall, mortgage rates fall, making it possible for more and more Americans to fulfill the American dream of owning their own home. In 1981 we decontrolled oil. Now OPEC is in disarray and oil prices are plummeting. Many Americans will be able to heat and cool their homes for less. And isn't it great to "fill 'er up" at the station for less than a dollar a gallon? The stock market's scaling new heights. And taken over a period of several months, a vigorous stock market may be the best single leading indicator of powerful economic growth there is. So, Americans, in the words of that famous song: "Let the Good Times Roll."

Of course, there are still some in Congress who are calling for a tax hike. It seems no matter how the economy is doing—whether it's weak, or whether it's strong, in recession or expansion—they call for tax hikes. Even now that we've shown that we can cut government spending and eliminate the deficit by the end of the decade, they're still calling for a tax hike. You know, it's a funny thing, I get the feeling they want to raise your taxes. *[Laughter]*

But we're not going to let them, are we? Because our tax-cutting, limited-government policies are working. Whatever you want to call it, supply-side economics or incentive economics—by the way, have you noticed they don't call it Reaganomics anymore? Whatever you call it, it's launching the American economy into a new era of growth and opportunity. And we're going to keep up the big "Mo"—the winning momentum—with tax reform that cuts rates still further. Our basic ingredients for a tax package haven't changed: tax rate reductions, thresholds high enough so hard-working Americans aren't pushed relentlessly into higher brackets, some long-overdue tax relief for America's families, and investment incentives for American business. And one

thing tax reform cannot be is a tax hike in disguise.

You know, there are some on the Hill who say that you can't have tax reform, that you can't lower tax rates, until you raise taxes on the American people again. Well, the American people don't need a tax increase, and they're not going to get a tax increase. The problem is not that the people are undertaxed. The problem is that the Congress still overspends. There's one other dark cloud hovering on the horizon: excessive government spending. And the leadership of the House of Representatives is resisting all attempts to control spending. And in the Senate a few weeks ago the Budget Committee voted for a resolution that would raise your taxes by nearly \$50 billion over just 3 years. It seems that some people never get the message. It reminds me of kind of a sacrilegious story they tell about one of our great heroes. That out there in the Revolutionary War, when John Paul Jones stood on the bloody deck with the bodies all lying out there and said, "We have not yet begun to fight." There was one marine raised up on his elbow and says, "There's always one joker that never got the word." *[Laughter]*

Today, of course, is April 15th, a day that's loaded with significance. This is the deadline for Americans across the country to send in their tax returns and pay their taxes. And in a bit of poetic justice, it's also the deadline set under the Gramm-Rudman-Hollings law for Congress to come up with a budget on how it's going to spend those taxes. But while millions of Americans will be meeting their obligation to their government, it appears that once again Congress is not going to meet its obligation to the American people. Congress is committed under law to a balanced budget by 1991. And there's only one real way to do that, and that's cut unnecessary spending.

Those in the Congress who think they can go about business as usual, overspending the American people's money and then raising taxes or making crippling cuts in our national defense to pay their way, would do nothing but repeal all the progress we have made in the last 5 years. We submitted a budget that met the legal requirements

without slashing defense or raising taxes. Now it's time for Congress to meet its legal requirements and pass a budget resolution. We don't need more government. We need more growth, strong, vibrant growth that will bring all Americans into the economic mainstream, light the forgotten streets of our inner cities with hope, and reach out to every corner of the world with opportunity.

The American economy can be a mighty engine for progress, a mighty force for good in this world; but we have to leave it free, unshackled from high taxes and unburdened by excessive government. We must not hobble it with overregulation or smother it in antitrade, antigrowth legislation. If we liberate the energies and imagination of

the American people and allow them the wherewithal to build their dreams, America will be a dynamo leading the world into the 1990's and a new era of prosperity the likes of which this world has never before seen. That is our goal, and that's our challenge. I might put it this way: Go ahead, America, make my decade!

Thank you, and God bless you all.

*Note: The President spoke at 2:01 p.m. in Room 450 of the Old Executive Office Building. In his remarks, the President referred to Chairman Arthur Levitt and President Jack Albertine of the American Business Conference.*

## Remarks on Signing the Law Day U.S.A. Proclamation April 16, 1986

You make me feel very good in case Mr. Qadhafi brings legal action against me. [Laughter] Vice President Bush, Attorney General Meese, and President William Falsgraf of the American Bar Association and the presidents of the National Bar Association and the Federal Bar Association, good morning to all of you, and welcome to the White House complex. The White House complex is what you get when you have been working here too long. [Laughter] I see here today lawyers who have given long and distinguished service to their profession, and I see others who are just setting out on promising legal careers. I thank you all for coming, and I know that the secretaries you left behind thank you, too. [Laughter]

The American Bar Association has designated this year's Law Day theme to be "Foundations of Freedom," building up to next year's celebration of the bicentennial of the Constitution. Almost 200 years later I think we can say there's some pretty solid masonry beneath that great document. Our forefathers wrote the Constitution in order to, in their words, "secure the blessings of liberty to ourselves and our posterity." Well, the endurance of our Constitution

and the liberty it secures is a tribute not only to the wisdom of our Founding Fathers but to all the citizens, who in the courts and legislatures, in the political process, and in their daily lives have fought to uphold its basic guarantees.

Sometimes, as we saw recently, the fight to preserve freedom and the rule of law must be carried to the field of battle. We can be thankful that this country of ours has never wanted for the kind of bravery and dedication displayed by our fighting men just a short time ago over the coast of Libya. We lost one plane in that engagement, and I think we all pray for the two airmen who are lost. They are the heroes of our hearts, and each of us today owes a piece of our freedom to their noble effort.

The United States is slow to anger, and we use force only as a last resort. We tried quiet diplomacy. We tried public condemnation. We tried economic sanctions. And, yes, we tried a show of military might. But Qadhafi intensified his terrorist war, sending his agents around the world to murder and maim innocents. He mistook our love of peace for passivity, and restraint for lack of resolve. He mistook our traditional respect for law and for the human rights that

are safeguarded by law for a lack of will to defend against lawlessness. We hope Mr. Qadhafi will not mistake us again. Our allies who cooperated with us in this action, especially those who share our common law heritage, can be proud that they stood for freedom and right, that as free people they haven't let themselves be cowed by threats and violence. They have earned the lasting respect and friendship of the American people.

And while I'm on the subject of human rights under law, we cannot forget the Nicaraguan freedom fighters. Those brave men are fighting to establish respect for human rights, for democracy, and for the rule of law within their own country. Today the House of Representatives will cast an historic vote on aid to the freedom fighters. And unfortunately, if that aid is approved, it'll be tied to a pork-barrel appropriations bill, a bill so brimming with waste and excess that aid to the freedom fighters may never see the light of day. If we win a fair up-or-down vote only to see it canceled by the House leadership through a backdoor parliamentary maneuver, then the cause of democracy in Nicaragua and the rule of law will be the greatest casualties. I sincerely hope the obstructionists in Congress will reconsider, because America is watching. I appeal to the sense of fairplay of our elected officials in the House. On an issue of such magnitude, let the majority work its will. Let freedom be given a chance in Nicaragua.

As I sign the proclamation for this Law Day, May 1st, 1986, let us give thanks that we live in a land of liberty safeguarded by our constitutional rights and protected by the rule of law. The foundations of freedom have never been firmer. Now I'm going to sign that proclamation.

I hesitate as a layman to say to all of you something that I've said to a number of students when I've had opportunity to speak to our young people. And I've read a lot of constitutions of other countries. I've read the Soviet Constitution—was surprised to find it contains some of the same provisions of our own as regard to freedoms of the people. Of course they don't observe them, but they're there in the Constitution. But I've always gotten a thrill out of saying to these young people that all those other constitutions and our own, there is one little difference between them—looks little, but it is so great it explains the total success of our nation. All those other constitutions are based on privileges that governments give to their people, and ours says, "We, the people will allow the Government the following rights." And as long as it stays that way, we're on solid ground.

Well, I'd better sign.

*Note: The President spoke at 11:47 a.m. in Room 450 of the Old Executive Office Building. Fred D. Gray was president of the National Bar Association, and Gerald E. Gilbert was president of the Federal Bar Association.*

## Proclamation 5460—Law Day U.S.A., 1986

*April 16, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

May 1, 1986, is Law Day U.S.A. It is traditionally a time to focus our Nation's attention on the importance of the rule of law in our free society. But this year's Law Day has special significance. Its theme, "Foundations of Freedom," is designed to prepare

all citizens for an important event in America's history: the Bicentennial of the United States Constitution in 1987.

The foundations of freedom upon which our Nation was built include the Magna Carta of 1215, English common law, the Mayflower Compact, the Act of Parliament abolishing the Court of Star Chamber, and numerous colonial charters. These and similar precedents, rooted in a firm conviction

of the worth and dignity of the human person, articulated fundamental concepts, such as due process of law, trial by jury, and freedom of speech. In drafting the Constitution, our forefathers sought to embody these concepts in a single document, creating a rule of law that continues to "secure the blessings of liberty to ourselves and our posterity. . . ."

Our written Constitution has been in existence for 200 years, longer than that of any other nation in the world. Although our Nation has grown from 13 isolated agricultural States to an industrialized society of 240 million people, the text of the Constitution provides today, as it did in 1787, a blueprint for a functioning republic with well-considered and workable guidelines for democratic self-government. Its endurance is a tribute not only to the wisdom of the authors of that great document, but to all the citizens who, in our courts and legislatures, have fought to uphold its vital guarantees. It is also a testament to a two-hundred-year-old tradition of freedom through voluntary adherence to the rule of law. Because of the vigilance of the American people, we continue to be a country governed by law, rather than by force or the whim of a few self-proclaimed leaders.

Law Day U.S.A. is an important opportunity for all Americans to examine the historical precedents that led to the establishment of the rule of law in America through the United States Constitution, and consequently to improve our understanding and appreciation of the important contribution these sources made to the creation of our

free society. As we observe Law Day, I urge everyone to join me in renewing our dedication to the foundations of our freedom, principles that ensure that, in this Nation, all men and women will continue to be free, enjoying the full and equal protection of the law.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with Public Law 87-20 of April 7, 1961, do hereby proclaim Thursday, May 1, 1986, as Law Day U.S.A. I urge the people of the United States to use this occasion to renew their commitment to the rule of law and to reaffirm our dedication to the principles embodied in the documents that form the foundations of our freedom. I call upon the legal profession, schools, civic, service and fraternal organizations, public bodies, libraries, the courts, the communications media, business, the clergy, and all interested individuals and organizations to join in efforts to focus attention on the need for the rule of law. I also call upon all public officials to display the flag of the United States on all government buildings on Law Day, May 1, 1986.*

*In Witness Whereof, I have hereunto set my hand this 16th day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:35 a.m., April 17, 1986]*

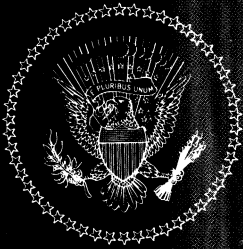
## Statement by Principal Deputy Press Secretary Speakes on the Conference on Confidence and Security Building Measures and Disarmament in Europe

April 16, 1986

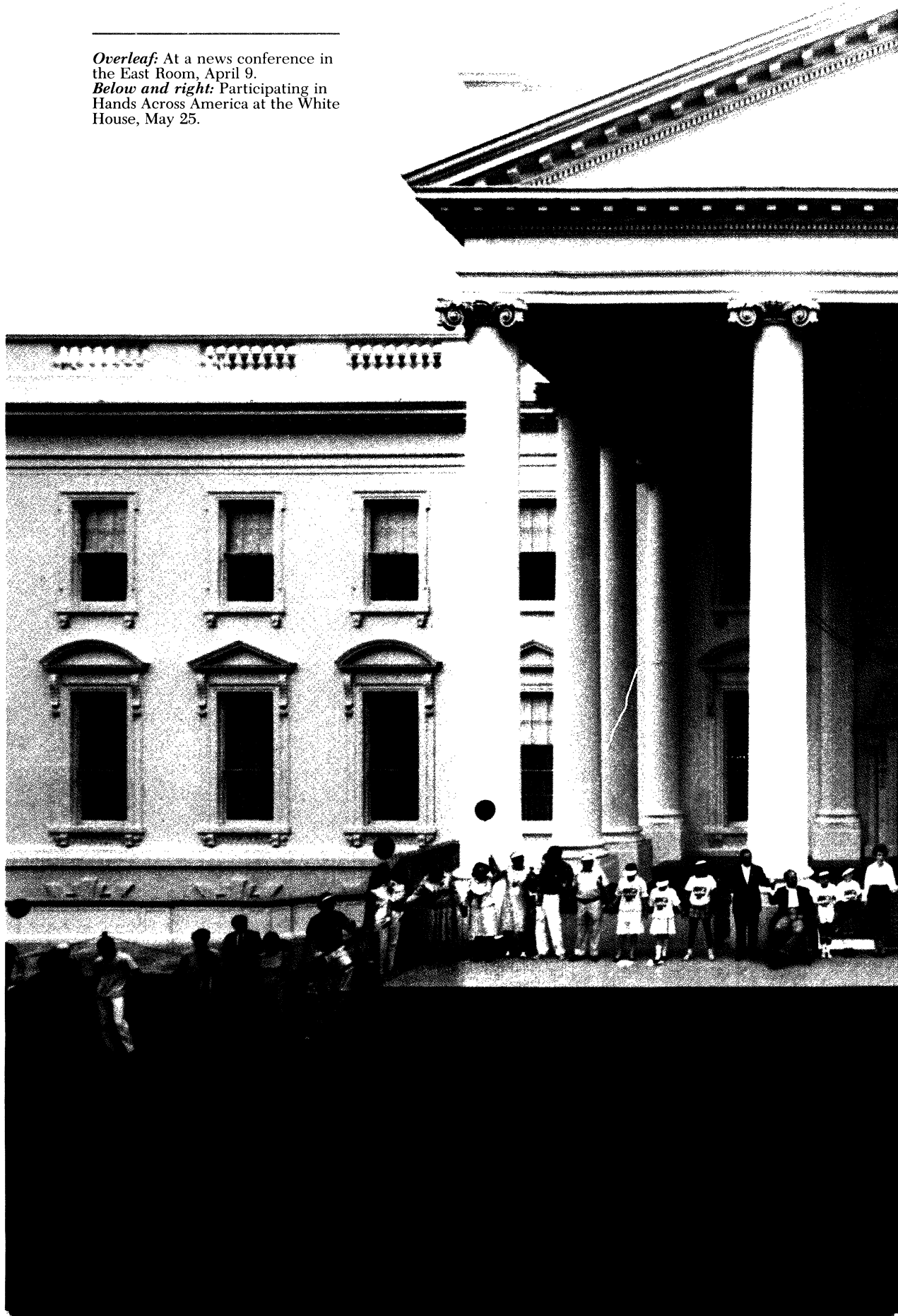
Yesterday the Stockholm Conference on Confidence and Security Building Measures and Disarmament in Europe, the CDE, began its most critical session to date. If substantial progress is made, there will be a good chance of achieving a concluding doc-

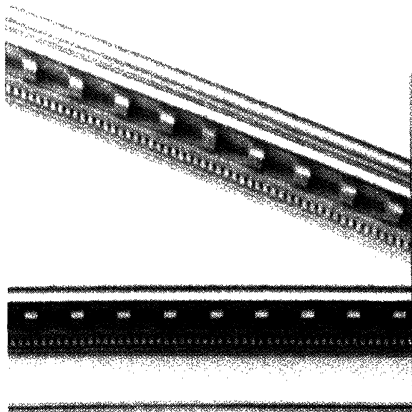
ument that will increase openness and make the military situation in Europe more stable and predictable. But much remains to be done if we are to reach an agreed document that will reduce the risk of military confrontation in Europe. If the East

# Photographic Portfolio

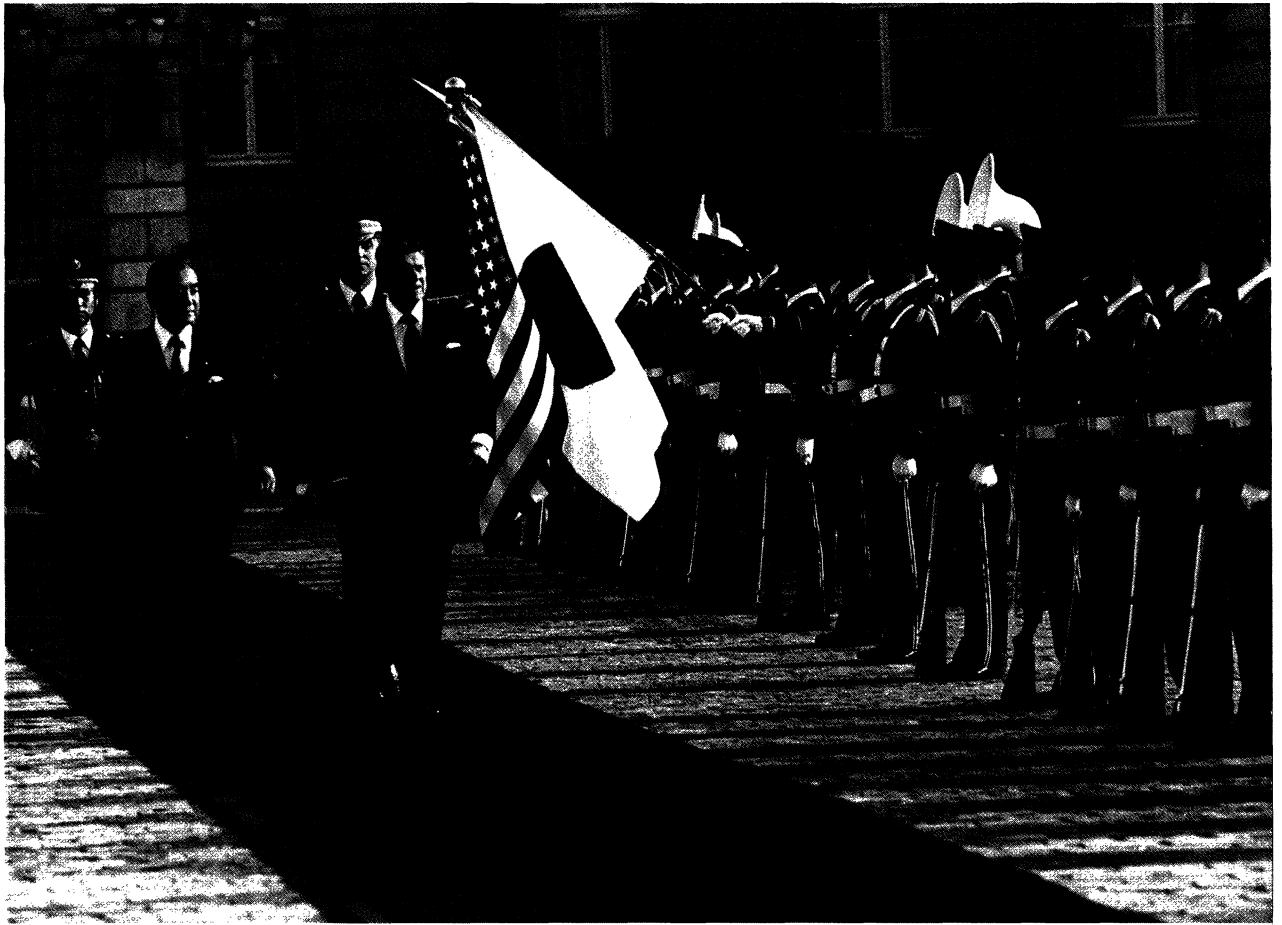


*Overleaf:* At a news conference in the East Room, April 9.  
*Below and right:* Participating in Hands Across America at the White House, May 25.









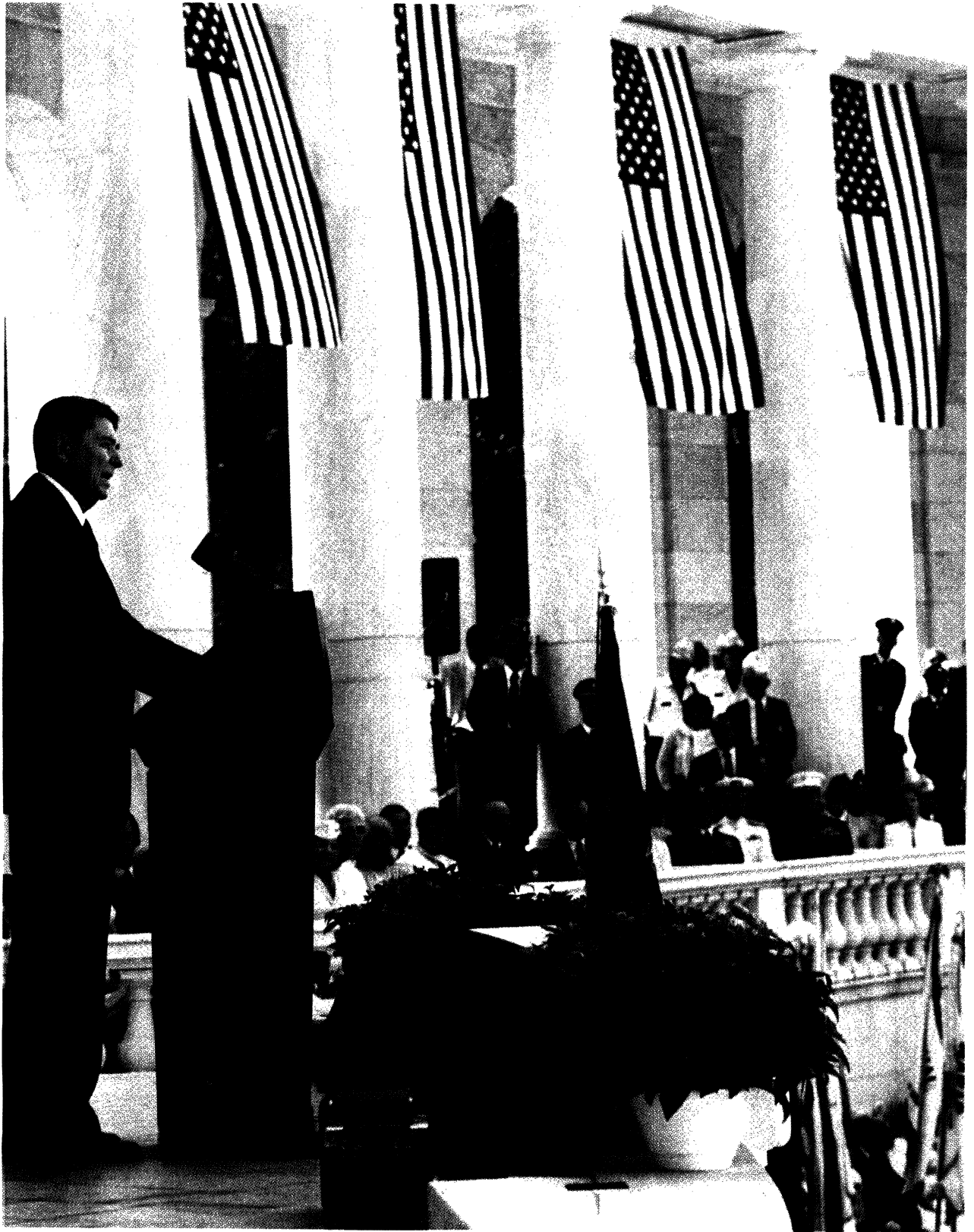
***Above:** With Prime Minister Nakasone at Akasaka Palace in Tokyo, Japan, May 4.*  
***Left:** Visiting St. Georges, Grenada, February 2.*  
***Above right:** At the Reagan Administration Executive Forum, February 6.*  
***Right:** Reviewing the troops at Hickam Air Force Base, HI, April 26.*





Happy Birthday  
Mr. President  
from all of **US**





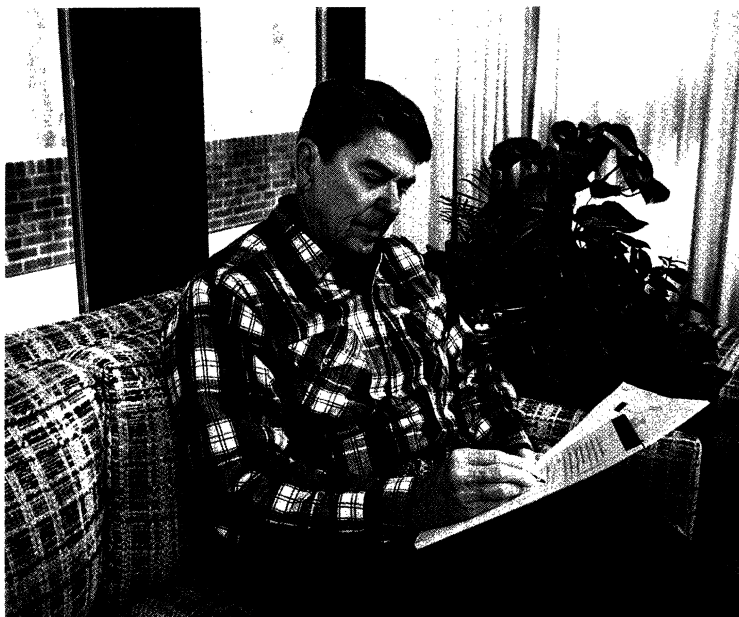
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**Left:** Speaking at Memorial Day ceremonies at Arlington National Cemetery, May 26.

**Right:** Working at Camp David, MD, May 8.

**Below:** At a memorial service honoring the *Challenger* astronauts in Houston, TX, January 31.

**Overleaf:** Throwing the first baseball of the season at Memorial Stadium in Baltimore, MD, April 7.





remains reluctant to move ahead with drafting such a document, time will run out on the CDE, which adjourns on September 19.

The President has instructed the head of the U.S. delegation, Ambassador Robert L. Barry, to work with our NATO allies, the neutral and nonaligned States, and the East, to find solutions consistent with the Conference mandate and our security requirements. The Conference must agree on the level and types of military activity that will be covered in the concluding document. We place high priority on agreeing on a threshold for notification of ground force and combined arms activities which can be verified and which will result in equitable treatment for all 35 participating States. This can be accomplished by identifying structural and numerical parameters that

would cover activities at a level significantly below those covered by the Helsinki Final Act.

In order to discourage the use of military forces for political intimidation, the U.S. delegation has been instructed to explore possibilities for elaborating the details of the measure requiring that major military activities be forecast. The U.S. Government has repeatedly stressed our concern over compliance with international agreements and accords. All participating States must have the opportunity to verify the measures adopted in Stockholm. This can only be accomplished by inspection.

As we make progress on the content of confidence and security building measures, we will continue drafting on a statement reaffirming our common commitment under international law to refrain from the threat or use of force.

## **Executive Order 12556—Mailing Privileges of Members of Armed Forces of the United States and of Friendly Foreign Nations**

*April 16, 1986*

By the authority vested in me as President by the Constitution and laws of the United States of America, including section 301 of title 3 of the United States Code, it is hereby ordered as follows:

*Section 1. Delegation of Functions.* The function conferred upon the President by section 3401(a) of title 39 of the United States Code, of designating an area for free mailing privileges, is delegated to the Secretary of Defense.

*Sec. 2. Interagency Consultation.* In performing the function delegated by this Order, the Secretary of Defense shall consult with the Secretary of State and the

United States Postal Service, and with the heads of other Executive agencies as appropriate. The Secretary of Defense shall provide timely notice to the United States Postal Service of any designations or terminations of designations made under this Order.

RONALD REAGAN

The White House,  
April 16, 1986.

*[Filed with the Office of the Federal Register, 10:36 a.m., April 17, 1986]*

*Apr. 16 / Administration of Ronald Reagan, 1986*

## Letter to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on the United States Air Strike Against Libya

*April 16, 1986*

*Dear Mr. Speaker: (Dear Mr. President:)*

Commencing at about 7:00 p.m. (EST) on April 14, air and naval forces of the United States conducted simultaneous bombing strikes on headquarters, terrorist facilities and military installations that support Libyan subversive activities. These strikes were completed by approximately 7:30 p.m. (EST).

The United States Air Force element, which launched from bases in the United Kingdom, struck targets at Tripoli Military Air Field, Tarabulus (Aziziyah) Barracks, and Sidi Bilal Terrorist Training Camp. The United States Navy element, which launched from the USS Coral Sea and the USS America, struck targets at Benina Military Air Field and Benghazi Military Barracks. One F-111 with its two crew members is missing. These targets were carefully chosen, both for their direct linkage to Libyan support of terrorist activities and for the purpose of minimizing collateral damage and injury to innocent civilians.

These strikes were conducted in the exercise of our right of self-defense under Article 51 of the United Nations Charter. This necessary and appropriate action was a pre-emptive strike, directed against the Libyan terrorist infrastructure and designed to deter acts of terrorism by Libya, such as the Libyan-ordered bombing of a discotheque in West Berlin on April 5. Libya's cowardly

and murderous act resulted in the death of two innocent people—an American soldier and a young Turkish woman—and the wounding of 50 United States Armed Forces personnel and 180 other innocent persons. This was the latest in a long series of terrorist attacks against United States installations, diplomats and citizens carried out or attempted with the support and direction of Muammar Qadhafi.

Should Libyan-sponsored terrorist attacks against United States citizens not cease, we will take appropriate measures necessary to protect United States citizens in the exercise of our right of self-defense.

In accordance with my desire that Congress be informed on this matter, and consistent with the War Powers Resolution, I am providing this report on the employment of the United States Armed Forces. These self-defense measures were undertaken pursuant to my authority under the Constitution, including my authority as Commander in Chief of United States Armed Forces.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate.*

## Statement by Principal Deputy Press Secretary Speakes Urging Congressional Approval of United States Assistance for the Nicaraguan Democratic Resistance

*April 16, 1986*

In recent days the President has urged the House of Representatives to vote in favor of the Senate-passed bill to assist the Nicaraguan freedom fighters. But he also

expressed his dismay that a backdoor parliamentary maneuver—attaching our bill to a huge and wasteful pork-barrel appropriations bill—would prevent the necessary aid

from ever reaching the freedom fighters. This is, nevertheless, just what the House Democratic leadership chose to do. But today, 177 Republican Members of the House served notice together that they would not abide by this unfair tactic. The President fully understands the reasons for

this strategy by the House Republicans and hopes that the House will act without having to overcome further obstacles. The President continues to believe that this is an urgent measure vital to our national security and calls on the House to act as soon as possible.

## Informal Exchange With Reporters Prior to a Meeting With Prime Minister Hawke of Australia *April 17, 1986*

*Q.* Mr. President, the Australian Government, in the last few weeks, rejected your Star Wars, SDI—having anything to do with it. Would you be trying to get Mr. Hawke to reconsider?

*The President.* Well, I intend to extend him all hospitality. If he wants to voice an opinion on that, I'll be glad to reply.

*Q.* Would you like to see Australia involved in the Star Wars concept?

*The President.* Well, if they could see their way clear to something that would be mutually beneficial, that would be just fine.

*Q.* Do you think there would be a lot of benefits for Australia if they were involved?

*The President.* Well, I happen to believe in it enough to believe that there would be a lot of benefits for the whole world, because what we're trying to get is a weapon—or a defensive system, not a weapon—that would render obsolete nuclear strategic weapons.

*Q.* Mr. President, would you have liked full support from Australia on the Libyan question?

*The President.* Well, anyone likes approval, so—

*Q.* Do you think you got enough support from Australia?

*The President.* I'm satisfied.

*Q.* Mr. President, three British citizens have been murdered in Lebanon apparently because of Mrs. Thatcher's support of our raid against Libya. What do you have to say about that?

*The President.* Well, I think it's a tragedy, but I think it's another example of the fact

that terrorism is something that we have to deal with once and for all, all of us together.

*Q.* Well, Qadhafi surfaced again and suggests he's going to continue to do what he's been doing.

*The President.* Yes. Has anyone been able to pin down where he surfaced?

*Q.* Well, he was on television yesterday, but we're not quite certain whether it was live or taped.

*Q.* Do you know, sir?

*The President.* What?

*Q.* Do you know where he is?

*The President.* No. No, I just think he's been staying undercover while the shooting is going on.

*Q.* Mr. President, are you disappointed with the cooperation from the European allies, or lack of cooperation?

*The President.* No, I'm not going to comment, and I'm not going to take any more answers on this here. We've got another subject right now.

*Q.* Okay. Just another subject. How do you feel about Stockman's treatment of you in his book?

*The President.* Haven't read his book. But I'm not sure that I will.

*Q.* But he seems to have been stabbing you and other people in the back.

*The President.* Well, I won't comment. And as to reading, I don't have too much time for fiction.

*Q.* Ohhh! [*Laughter*]

*Q.* Prime Minister, are you going to read Stockman's book?

*Apr. 17 / Administration of Ronald Reagan, 1986*

*Prime Minister Hawke.* I have even less.  
[Laughter]

*Note: The exchange began at 11:33 a.m. in the Oval Office at the White House.*

## Appointment of Gwendolyn S. King as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs *April 17, 1986*

The President today announced the appointment of Gwendolyn S. King to be Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs. She will succeed Deborah Steelman.

Mrs. King served as director of the Washington office of Pennsylvania Governor Richard Thornburgh, 1979–1986. Previously, she was legislative assistant to United States Senator John Heinz, 1978–1979; division director of consumer complaints at the

Department of Housing and Urban Development, 1976–1978; and a senior health desk officer for the Secretary at the Department of Health, Education and Welfare, 1974–1976.

Mrs. King graduated cum laude from Howard University in 1962 and did graduate studies at George Washington University. She is married to Colbert I. King, has three children, and resides in Rockville, MD. She was born in East Orange, NJ.

## Remarks Following Discussions With Prime Minister Robert Hawke of Australia *April 17, 1986*

*The President.* I'm pleased to meet with Prime Minister Bob Hawke today, although I was somewhat disappointed he didn't bring the America's Cup with him. Prime Minister Hawke is a personal friend and a valued counselor, and I can't overstate the value America attaches to its relationship with Australia, especially as that nation now approaches a very special year. We look forward to participating in the festivities of Australia's 1988 bicentennial.

Our countries share many historical experiences: our love of democracy, our frontier heritage, and our common defense of freedom from the First and Second World Wars through Korea and Vietnam. All this has nurtured the bonds of friendship between our two peoples. Today the United States and Australia, as much as ever, rely on each other. Australia is a responsible ANZUS [an alliance between Australia, New Zealand, and the United States] ally, an important trading partner, and a trusted friend.

Our discussions in the White House today covered a variety of issues. In the area of

trade, the United States will be responsive to the extent we can to Australian interests. In international agriculture, we have a common goal: We'll continue to work together to keep open international trade and export markets. International agricultural trade problems should be given attention in upcoming international economic meetings, including the next round of multilateral trade negotiations. We seek a truly free international agricultural market. Necessary interim measures to counter unfair subsidization, like our own Export Enhancement Program [EEP], should take account of the interest of friends like Australia. Prime Minister Hawke has been assured of this, and we will, of course, continue our dialog on this important subject.

On other matters, we reaffirmed the importance of security cooperation among Pacific States. The stabilizing role that ANZUS plays has been essential to the phenomenal growth that the Pacific region has enjoyed during the last decade. It's hoped that New



Zealand will soon return to its traditional role as a responsible ANZUS member. We would greatly regret it if this valued partner declined to take the actions that would permit restoration of our normal collaboration and preservation of our special relationship as allies. Whatever New Zealand's decision, however, I have told Prime Minister Hawke that our commitment to Australia under ANZUS is firm. Our discussions today also focused on regional issues and arms control. Australians share with the American people a deep concern about world peace and a desire to reduce the number of nuclear weapons threatening mankind.

This is my third meeting with Prime Minister Hawke. Our personal relations and the relations of our countries remain on a very high level. Bob, smooth sailing on the rest of your trip and on the journey home.

*The Prime Minister.* Thank you, Mr. President. The warmth of your welcome and the sentiments that you've expressed in your statement are very much appreciated by me. They reflect not only the personal friendship to which you refer and which I greatly value; they reflect also the close, longstanding association between the governments and the peoples of our two countries. Mr. President, as you are aware, the main purpose of my visit has been and remains to talk with you, your colleagues, and Members of Congress about agricultural matters.

Nevertheless, let me say this at the outset. We are at one in our determination to see an end to the scourge of international terrorism and, therefore, condemn unequivocally Libya's role in directing, exporting, and supporting such activities. The Australian Government does not accept that violence, in particular, terrorism, is a solution to the complex problems of the world we share. We referred in the United Nations Security Council to a number of possible courses open to the international community to bring about a peaceful resolution of the current situation in the Mediterranean region.

Mr. President, we meet at a time when the rural sectors of both of our countries face serious difficulties. For us the corruption of international markets is a matter of

very grave concern. Australia is an efficient, nonsubsidizing agricultural exporter. It exports 80 percent of its rural production. The severe difficulties that face Australian and U.S. farming communities as a result of depressed agricultural prices and our frustrations with a market loss that has been brought about by huge European Community agricultural export subsidies are of critical concern to both our countries. I have conveyed Australia's appreciation of the cooperation we have received so far from the United States on those aspects of the Farm Act impacting on Australia's agricultural interests. Australia particularly welcomed, Mr. President, the recent amendments to the Farm Act which halved mandated spending under the Export Enhancement Program and reduced the funds allocated under the Targeted Export Assistance Program.

Bearing in mind the importance to Australia of its wheat markets, I was encouraged to have your reassurance, Mr. President, that the EEP will continue on a targeted basis, aimed essentially at markets of subsidizing exporters, and that you will continue to encourage EEP recipients to maintain their normal level of imports from traditional, nonsubsidizing suppliers. We also welcomed your assurances that the implementation of the Farm Act, with regard to export of beef and dairy products, would be handled in a way which seeks to minimize disruption in markets served by Australia. We also expect continued access for our beef to the United States market, at least at the levels consistent with the operation of the existing meat import law. In relation to sugar imports to the United States, we are assured that Australia's traditional market share is being maintained. I appreciate that you have noted our concerns on the operation of the current cotton and rice programs.

Australia has appreciated the opportunities we have had to consult on the administration of the Farm Act and of the EEP. We welcome your agreement that these opportunities to discuss with you will be extended to include Australia's concerns in the implementation of the United States export subsidy and surplus stock disposal programs. Periodic meetings between our respective

trade and agricultural ministers will be central to that continuing process. Mr. President, we both share the commitment to an effective September launch of the new [Multilateral Trade Negotiations] MTN. We agree on the need to have agriculture accepted as a key issue for the new MTN round. We also agree that the negotiation of more effective [General Agreement on Tariffs and Trade] GATT rules for agricultural subsidies should be a specific objective of the MTN round. The forthcoming Tokyo summit will be important in carrying these matters forward.

Mr. President, the closeness of the relations which Australia and the United States enjoys is based on common values and shared prospectives. Our history of cooperation in peace and in war, our shared commitment to democratic values, and the fundamental importance of our security relationship under the ANZUS alliance have all served to strengthen and broaden our bilateral relationship. The close friendship between our countries does not require identical views on every international issue. A mature relationship involves mutual respect for each other's right to determine independent policies towards various problems, having regard to each other's concerns.

Our alliance under the ANZUS treaty is fundamental to Australia's foreign and defense policies. It also has important implications for the security and the stability of our region. I am pleased that in our discussions today we reaffirmed the importance of our arrangements under ANZUS. We accept that, like other alliances, the ANZUS treaty entails obligations and responsibilities as well as mutual benefits. My government is convinced that international security is enhanced not only by appropriate security arrangements which contribute to stable deterrence but also a commitment to pursue

balanced and verifiable arms control agreements. We value very much indeed, Mr. President, the consultations and exchanges of views that take place at the highest level between our governments on a range of international issues, including arms control and disarmament. My discussions today with you, Mr. President, covered the prospects for progress towards effective arms control and specific initiatives that have been undertaken in Australia's own region, including the South Pacific Nuclear Free Zone Treaty.

Our discussions today also covered the tragic situation in South Africa. The efforts of the Commonwealth Eminent Persons Group to encourage dialog between the Government and the various racial groups with a view to the peaceful establishment of a nonracial, democratic, and representative government in South Africa are currently an important contribution to the search for a solution.

As our bicentenary in 1988 approaches, we are planning a range of celebrations, which we hope will involve active participation by many countries, including, of course, the United States. A visit to Australia around that time by you would be most appropriate and most welcome, and I sincerely hope that you will be able to take up that invitation which I have extended to you.

Mr. President, I greatly appreciate the hospitality that you have extended to me today. I look forward to further valuable exchanges with you on the many important issues we have addressed.

*Note: The President spoke at 1:25 p.m. in the East Room at the White House. Earlier, the President and the Prime Minister met in the Oval Office and then had lunch in the Residence.*

## Proclamation 5461—National Mathematics Awareness Week, 1986 April 17, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Since the time of its beginnings in Egypt and Mesopotamia some 5,000 years ago, progress in mathematical understanding has been a key ingredient of progress in science, commerce, and the arts. We have made astounding strides since from the theorems of Pythagoras to the set theory of Georg Cantor. In the era of the computer, more than ever before, mathematical knowledge and reasoning are essential to our increasingly technological world.

Despite the increasing importance of mathematics to the progress of our economy and society, enrollment in mathematics programs has been declining at all levels of the American educational system. Yet the application of mathematics is indispensable in such diverse fields as medicine, computer sciences, space exploration, the skilled trades, business, defense, and government. To help encourage the study and utilization of mathematics, it is appropriate that all Americans be reminded of the importance

of this basic branch of science to our daily lives.

The Congress, by Senate Joint Resolution 261, has designated the week of April 14 through April 20, 1986, as "National Mathematics Awareness Week" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of April 14 through April 20, 1986, as National Mathematics Awareness Week, and I urge all Americans to participate in appropriate ceremonies and activities that demonstrate the importance of mathematics and mathematical education to the United States.

In Witness Whereof, I have hereunto set my hand this seventeenth day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:43 a.m., April 18, 1986]*

## Remarks at the Annual White House Correspondents Dinner April 17, 1986

You know, we're both pleased to be here. This is also the night of the Kremlin Correspondents Dinner in Moscow. *[Laughter]* That's when the members of the Soviet media gather to laugh at Gorbachev's jokes—*[laughter]*—or else. *[Laughter]*

You know, I rehearsed my lines in front of Don Regan, and I asked him if he thought my—how my timing was, and he said, "Almost as good as Daniel Ortega's." *[Laughter]* He said that I was supposed to get up here and make the press laugh. Well, there's nothing I like better than a challenge—*[laughter]*—like making people laugh just 2 days after April 15th.

I understand ABC's having some budget problems. The news division has already laid off three hairstylists. *[Laughter]* Well, they aren't alone. That sweater Dan Rather wears came from Goodwill Industries. *[Laughter]* And I hear that NBC's going to do a hard-hitting report saying the only reason Ron Reagan, Jr.'s, career has taken off is because he has a famous father, and the guy saying it will be Chris Wallace. *[Laughter]* At my last press conference, I thought that gimmick of wearing a red dress to get my attention went a little too far, but it was a nice try, Sam *[Donaldson]*. *[Laughter]*

It must be exciting, though, being a correspondent in a place where all the political action is. Unfortunately, you're here and the action's in Chicago. [Laughter] Those last few weeks have really been hectic what with Libya, Nicaragua, and the budget and taxes. I don't know about you, but I've been working long hours. I've really been burning the midday oil. [Laughter]

You know, I received an invitation that said, "Please come to Ellis Island July 4th for the hundredth birthday celebration of an American institution." Somebody goofed. My birthday isn't until February. [Laughter] And it really won't be my hundredth, although I've been around for a while. I can remember when a hot story broke and the reporters would run in yelling, "Stop the chisels!" [Laughter]

I received another letter from Gorbachev today. He proposed holding American-style elections in the U.S.S.R., opening his borders for the free movement of people, establishing an independent news media, and tearing down the Berlin Wall. Pat Buchanan dismissed it as nothing new. [Laughter]

People are too ready to jump to conclusions. The other day when I told Don Regan I was opposed to dictators whoever or wherever they are, he asked me if he should start packing. [Laughter]

I have good news and bad news for Mario Cuomo. The good news is the polls show Americans favoring an Italian for President. The bad news is it's Lee Iacocca. [Laughter]

You know, someone asked me if I thought the Republicans can beat the Democratic Presidential candidate in 1988. Well, you bet we can. And we will beat Lyndon LaRouche. [Laughter]

You know, I do follow what you write. One of you just recently wrote a piece questioning why things seem to be going so well for me lately. Well, it's just a case of letting Reagan be Regan. [Laughter]

I've been criticized for going over the head of Congress. So what's the fuss? A lot of things go over their heads. [Laughter]

This afternoon, someone told me that the average IQ of Washington had risen by 75 points. I asked him how he accounted for it. He said Dick Cavett just landed at the airport. [Laughter] I know all of you folks are

looking forward to hearing Dick Cavett this evening. Dick feels that he was hampered on commercial television because of his image as an intellectual. I had the same problem. [Laughter] When I told Nancy that Dick was going to be here, she asked if I minded watching something with subtitles. And I said, "A foreign movie?" She said "No, Dick Cavett interviewing Bill Buckley." [Laughter] But Dick is living proof that good things come in small packages. He was once the centerfold for Reader's Digest.

Tonight the president of your organization, Gary Schuster, passes the torch to your new president, Bill Plante. They tell me Bill is the CBS sex symbol, and here I was loaded with one-liners about Lesley Stahl. [Laughter]

Well, before we steal away, I will be serious for a moment. We might have a tendency, you and I, to be a bit disputatious now and then. That's all part and parcel of our trade. But during a time like this—during a hectic and historic week, I'm especially grateful for all your efforts to provide a vigorous, probing, and unbiased free press. I saluted the courage of our Air Force and Navy pilots after they carried out their difficult and dangerous mission this week, but another group also performed courageously and well, working endless hours, putting themselves in harm's way, trying to give the American people the best and most accurate account possible of one of the most important stories of this decade. "Courage," Churchill said, "is the one quality which guarantees all others." This was a week for courage and for superior performance in your profession as well. And I'm delighted to salute you and all of your colleagues overseas.

We've had a fine time here tonight, and I've been especially thankful to feel laughter and patriotism warm our hearts, to know that liberty binds us as one. May it always be so. And thank you for including Nancy and me in these wonderful festivities, and God bless you all.

*Note: The President spoke at 8:14 p.m. at the Washington Hilton Hotel. Donald T.*

Regan was Assistant to the President and Chief of Staff, and Patrick J. Buchanan was Assistant to the President and Director of Communications.

## Remarks at a Fundraising Luncheon for Senator Alfonse M. D'Amato in New York, New York April 18, 1986

You've done that. Thank you. *[Applause]* There are no words properly to thank you, but just from the bottom of my heart, I thank you all very much. And Al D'Amato, Senator, I thank you. Thank you, John Bierwirth. It's wonderful to be here in New York today and very good to see all of you—some old friends and now some new.

I know you're about to lunch, and I don't want to take too much time up here. I want to be direct and get to the heart of my message and then take my seat. I considered starting with humor—something like it's a pleasure to be here and give a little help to D'Amato—*[laughter]*—after all, that's what he gives me in the Senate. *[laughter]* Then, you know how every once in a while a line from a song will get in your head and you just can't get them out. They keep going over and over again, kind of way up here. That was happening to me—you say "D'Am-ā-to" and I say "D'Am-ă-to." *[Laughter]* It reminded me of how Harry Belafonte said, "Let's call the whole thing off." *[Laughter]*

You know the fact is, it's as tough for the Democrats to find an opponent for Al as it is for batters to find a Dwight Gooden fastball. Actually, there's a similarity between the two. Dwight is "Dr. K," and as far as I'm concerned Al D'Amato is Senator "A-OK." And I'm hoping that you'll help send him back to the Senate for another 6 years. We need him there, and I need him there. One reason is obvious: We need more Democrats in the Senate like Custer needed more arrows. *[Laughter]* Nothing against my friends and colleagues in the other party, but at this time in our history it is the Republican Party that is the party of ideas, the party of the entrepreneur and the small businessman and businesswoman, the party of the poor and those who are struggling for a chance, and the party of a

great and once almost forgotten part of America—the great middle class of this country.

Senator Al D'Amato has helped us represent all of these groups and individuals, which is to say he's helped us represent America. Back in 1981 when it wasn't easy, when the sophisticated advice in this State and the smart money in Washington said don't do it, Al D'Amato supported the tax cuts that put our economy back on its feet. It wasn't easy, but Al took the position because it was the right and the just thing to do. The economic explosion that followed the tax cuts has created millions of jobs since 1982, including nearly half a million in the State of New York. Senator D'Amato showed a lot of courage, and I thanked him. I said, "Al, I don't know how to thank you." And he said, "I can think of a few ways, Mr. President." *[Laughter]* He even had a list. *[Laughter]* And I've told my aides, "Try to get him when he isn't prepared." *[Laughter]* Well, they're still trying. *[Laughter]* That was the meaning of the 4 a.m. call last night, Al. *[Laughter]*

Al D'Amato has fought a sometimes lonely fight for adequate and realistic defense spending. And I must say that in this fight, he has managed in his own inimitable way to serve the national interest while enhancing economic prospects on the local level. Al has shown an impressive knowledge of and concern about the readiness and the size of our naval forces, for instance. In the past few years, he's worked closely with the Secretary of the Navy to make sure that our ships have sufficient and widely dispersed home porting, the better to defend a large continent. He did this out of patriotism and an eagerness to protect his country.

But—and very seriously—there are two areas where Al D'Amato's leadership and

total—that is total—commitment have made a major and immediate impact. And everyone in Washington would agree with me on this, especially the First Lady. I'm referring to the problems of drugs and crime. It's no exaggeration to say that Al D'Amato came to the Senate absolutely livid about what the peaceful, decent, law-abiding citizens of his State had to put up with in terms of crime. He and I have discussed this a number of times, and it's clearly an issue he feels very passionately about. And he hasn't just talked; he's done something.

He cosponsored the Comprehensive Crime Control Act, which put tougher penalties on drug trafficking and provides pretrial detention for dangerous criminals. He wrote a provision of the act which strengthens the Government's ability to seize the assets of drug dealers. And this provision, by the way, is now being used by U.S. attorneys throughout the United States. He successfully fought for hundreds more drug enforcement agents and customs agents to help fight in the battle against drugs. Al agrees, as my wife Nancy does, that a big part of the war against drugs is teaching children to resist the pressures of their friends and the neighborhood and teach them how to say no. He's joined with the law enforcement community to bring drug prevention to the classrooms and neighborhoods of New York.

And I want to mention a special program that Al has begun. It's called "Coaches, Kids, and Chemicals." In February, 180 sports coaches and parents and teachers made their way through the snow out to Long Island to meet and see if they couldn't fight the drug problem together. And I know that Carl Eller is a part of that program. I know also that he's here in this room today. And, Carl, would you stand up and take a bow? *[Applause]* I've always thought there's nothing that can't be done if the people, the American people want to do it. Al thinks there's nothing that can't be done if the great and good people of the Empire State want to do it. So, I'd say the street thugs and the drug dealers had better beware while Al D'Amato and friends are on the case.

Inevitably, Al D'Amato and I haven't

agreed on everything. There are issues in which he hasn't seen things as we did. But we've also always agreed on a great deal. And we're Republicans; we share the same party and the same heritage, and there's nothing more that—or there's, I should say, there is more that unites us than could ever divide us. We share to a certain extent a worldview.

Our nation faces some great challenges over the next few years. And I think the historians of the future are going to look back on the eighties as a watershed era, a time when America faced a lot of tough issues—and partly because it had no choice. This is the decade that reminds me of Lincoln's "Fellow citizens, we cannot escape history." We face the question of the national economy: Should we keep it expanding and creating jobs, or do we want to go back to the depressing limits of the past? Al D'Amato and I agree; the answer is go for growth. We face the central diplomatic challenge of our time: how to deal with Soviet expansionism, with imperialism, and terrorism. Al D'Amato and I agree: To preserve the peace we need a strong and unsurpassed Armed Forces.

We face a direct and explicit military and political challenge in Central America, a challenge involving communism and its ambitions. Al D'Amato and I agree that to protect the peace you have to protect democracy, and that means protecting those who fight for democracy. And I want to thank you, Al, for proving once again the other day when you voted for aid for the Nicaraguan freedom fighters that you can face the hard choices and make the hard votes. I know it isn't easy. But it's better than easy; it's right.

Now, I'm not going to look, but is he getting out his list again? *[Laughter]* I want Senator D'Amato with me in Washington for the remaining years of my term, and I want Senator D'Amato there representing the good people of New York for 6 more years. Do you think you can help? *[Applause]* Well, that's wonderful, and you're all wonderful. Be good to the Senator here and send him back. And please work hard for all the Republican candidates for the House and the State and local office. And I

ask you to rally behind your candidate for Governor, Andy O'Rourke.

I thank you, all of you. It's been good to be here, and it's been fun. So, my thanks, and God bless you all. Oh, by the way, there's another issue in which Al D'Amato and I agree. Like Al, I love New York! Thank you.

*Note: The President spoke at 12:15 p.m. in the Grand Ballroom at the Waldorf-Astoria Hotel. In his remarks, he referred to John Bierwirth, president of Grumman Corp; Dwight Gooden, pitcher for the New York Mets; and Carl Eller, former professional football player.*

## **Nomination of A. David Rossin To Be an Assistant Secretary of Energy** *April 18, 1986*

The President today announced his intention to nominate A. David Rossin to be an Assistant Secretary of Energy (Nuclear Energy).

Since 1981 Dr. Rossin has been director of the Nuclear Safety Analysis Center, Nuclear Power Division, at the Electric Power Research Institute (EPRI) in Palo Alto, CA. Prior to 1981, Dr. Rossin was director of research for the Commonwealth Edison Co., Chicago, IL. He is a 27-year veteran of the nuclear power field, having worked in

various technical and management capacities at Argonne National Laboratory from 1955 to 1972, before moving to Commonwealth Edison.

Dr. Rossin graduated from Cornell University (B.S., 1954), the Massachusetts Institute of Technology (M.S., 1955), Northwestern University (M.B.A., 1963), and Case-Western Reserve University (Ph.D., 1966). He is married, has two children, and resides in Los Altos, CA. He was born May 5, 1931, in Cleveland, OH.

## **Nomination of R. Kenneth Towery To Be a Member of the Board of Directors of the Corporation for Public Broadcasting** *April 18, 1986*

The President today announced his intention to nominate R. Kenneth Towery to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991. This is a reappointment.

Since 1979 Mr. Towery has been president of the Sentinel Corp., a consulting firm in Austin, TX, that he founded. Previously, Mr. Towery was assistant to the chancellor, the University of Texas system, from 1976 to 1979; Assistant Director and Deputy Director of the United States Information Agency in 1969-1976; press secretary and then administrative assistant to Sen. John Tower in 1963-1969; Capitol correspondent with Newspapers, Inc., in 1956-

1963; and a reporter and managing editor for Cuero Daily Record, a small newspaper in Cuero, TX, in 1951-1956. He was awarded the Pulitzer Prize in 1955 for a series of stories exposing fraud and corruption in the Texas Veterans Land Program.

He entered the U.S. Army during World War II and served in the Philippines where he was captured and was a POW for 3½ years. He was awarded the Purple Heart, the Presidential Unit Citation with two Oak Leaf Clusters, and other decorations. He graduated from Southwest Texas Junior College and attended Texas A&M University.

Mr. Towery is married, has two children, and resides in Austin, TX. He was born January 25, 1923, in Smithville, MS.

## Proclamation 5462—National Garden Week, 1986 *April 18, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

During spring, the season of renewal, millions of Americans turn joyfully to gardening.

America's gardens produce an abundance of fruits and vegetables to enliven our tables and a stunning variety of flowers and shrubs brighten our lives with their beauty.

Gardening is a wholesome avocation that encourages appreciation for nature and concern for the preservation and enhancement of our environment. It prompts a genuine respect for those who work in agriculture today. Gardening, above all, provides a special source of fulfillment when foresight, patience, and collaboration with soil and sunlight finally are repaid by lovely flowers and luscious harvests.

The Congress, by Senate Joint Resolution 136, has authorized and requested the

President to issue a proclamation designating the week beginning April 13, 1986, as "National Garden Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning April 13, 1986, as National Garden Week, and I call upon all Federal, State and local governments, private organizations, and all Americans to join in educational efforts, ceremonies, and other appropriate activities to show our appreciation for the efforts and contributions of gardeners.

*In Witness Whereof*, I have hereunto set my hand this eighteenth day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:14 p.m., April 18, 1986]*

## Statement by Principal Deputy Press Secretary Speakes on the Murder of Peter Kilburn in Beirut, Lebanon *April 18, 1986*

The U.S. Embassy in Beirut this morning was contacted by officials of the American University in Beirut concerning the identity of the third victim of the brutal murders discovered on April 17 in Beirut. They told the Embassy that this victim had been identified as Peter Kilburn, the librarian at the American University, by three of his

colleagues. We do not have positive forensic identification. Steps are being taken to obtain this information. We have been in touch with all the families of the American hostages and provided them with all the information we have. Mr. Kilburn was last seen on November 30, 1984, and was confirmed missing on December 3, 1984.

## Radio Address to the Nation on Oil Prices *April 19, 1986*

*My fellow Americans:*

With summer coming, a lot of Americans

will be driving more than ever, going on "See America First" vacations and driving



everywhere from New Jersey to California in everything from vans to buses to motorbikes. This is a good time for it because gas prices continue to fall. In fact, they are falling as never before. The oil price decline of the 1980's has been a triumph not of government, but of the free market; and not of political leaders, but of freedom itself.

When I first came into office in January of 1981, the price of gas was just about \$1.25 a gallon. The price of a barrel of oil had reached \$36. Americans were understandably frustrated and angry as they cast about for answers. Some people advocated more governmental intervention. Demands for divestitures of oil companies filled the air. Other people demanded gas rationing. Well, we said no. I didn't want to force more limits on people through rationing. I wanted to ease the situation by letting freedom solve the problem through the magic of the marketplace.

One week after I took office, we decontrolled the price of domestic oil, and we stopped the Government from putting ceilings on its pricing and production. Our action wasn't exactly greeted by rave reviews. Those opposed said decontrol would drive up the price of oil, increase gas prices, and cause terrible inflation. One Member of Congress, a Democrat from Massachusetts, said decontrol would impose impossible economic burdens on those least able to pay. Well, 5 years later, Massachusetts is enjoying an unprecedented economic comeback; and the reason is lower taxes—something else we contributed to—and the lowered energy prices that followed the decontrol of domestic oil.

Despite all the scare tactics and dire warnings, decontrol was a success. The price of oil has fallen from the \$36 a barrel of 1981 to about \$12 a barrel today. The price of gas has also plummeted from an average of \$1.25 a gallon when I took office to about 82 cents today. In fact, the price of gas is now cheaper in real terms, meaning accounting for inflation, than it's been at any point since the 1950's. My mother used to tell me, "It's not nice to crow," but maybe this once I can't help it. We've also been able to close down the costly Synfuels Corporation, a quasi-governmental agency that ate up billions of taxpayer dollars while

it didn't solve the energy crisis. Government didn't perform any of these miracles; freedom did, the marketplace did, the entrepreneurs and businessmen and women of America did. Those of us back in Washington just sort of lifted the artificial restraints, sat back, and watched the gushers blow.

But the oil harvest of the eighties is not just an economic story; it also has implications for our national security. When I came into office the United States was consuming about 17 million barrels of oil a day—6 million imported. A big part of that oil came from the Middle East. Today we consume less than 16 million barrels of oil a day, and only 4 million are imported. But what may prove to be even more significant is that we've changed who we buy our imported oil from. Back in 1981 most of it came from the OPEC countries, but now most of it comes from Canada, Mexico, the Caribbean, and Great Britain. As Vice President Bush pointed out recently, we've assured that our supplies won't be as vulnerable to international politics as they've been in the past. We need a strong U.S. energy industry to keep it that way.

I wish the entire energy picture were nothing but good news, but that, unfortunately, isn't so. While the energy-dependent States of the Nation are enjoying increased economic well-being, the economies of our oil States have cooled. Producers, large and small, have suffered a dramatic loss of income. Many small companies face bankruptcy. While our belief in the free market remains firm, that belief is not inconsistent with the sense of compassion and concern for the individuals who bear its economic consequences.

But the answer to these problems is not an import fee on imported oil. That would be a step backward. What we have to do now is go forward with actions that will further improve our energy production, freeing up all remaining energy prices. That means doing to domestic gas what we did to domestic oil—decontrolling it. Last week Energy Secretary John Herrington sent to Congress a bill to lift all remaining controls on natural gas prices. The result will once again be a boom for consumers, with the average residential customer

saving up to \$45 on his or her gas bill on the first full year of decontrol alone. I think it's time we seized the moment and decided to finish the work we began in 1981. It's time to go for lower prices, go for more freedom, and go for the growth that will follow. We'll be going for it in the Congress

soon, and we hope to win as we did in '81—with your support.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## Proclamation 5463—Education Day, U.S.A., 1986

April 19, 1986

*By the President of the United States  
of America*

### *A Proclamation*

From earliest colonial days, Americans have always known that education is the golden key that opens the door to achievement and progress. This Administration has placed renewed emphasis on excellence in education, and already the results are encouraging. By setting high standards we challenge the young to stretch their mental muscles and strive to achieve the best that is in them. Such an education succeeds because it makes learning an adventure.

Education is like a diamond with many facets: it includes the basic mastery of numbers and letters that give us access to the treasury of human knowledge, accumulated and refined through the ages; it includes technical and vocational training as well as instruction in science, higher mathematics, and humane letters. But no true education can leave out the moral and spiritual dimensions of human life and human striving. Only education that addresses this dimension can lead to that blend of compassion, humility, and understanding that is summed up in one word: wisdom.

"Happy the man," Scripture tells us, "who finds wisdom. . . . Her ways are ways of pleasantness, and all her paths are peace. She is a tree of life to those who come to possess her."

The Congress has sought to call attention

to these durable values by adopting resolutions that pay tribute to the example of Rabbi Menachem Mendel Schneerson, a man who has dedicated his life to the search for wisdom and to guiding others along its pathways. He exemplifies the rich tradition of the Seven Noahide Laws, which have been the lodestar of the Lubavitch movement from its inception.

In recognition of Rabbi Schneerson's noble achievements and in celebration of his 84th birthday, the Congress, by House Joint Resolution 582, has designated April 20 as "Education Day, U.S.A." and authorized and requested the President to issue an appropriate proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Sunday, April 20, 1986, as Education Day, U.S.A., and I call upon the people of the United States, and in particular our teachers and other educational leaders, to observe that day with appropriate ceremonies and activities.

*In Witness Whereof*, I have hereunto set my hand this nineteenth day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:26 a.m., April 21, 1986]*

## **Statement by Principal Deputy Press Secretary Speakes on Soviet and United States Compliance With Arms Control Agreements *April 21, 1986***

With regard to the question of interim restraint, the President has started consultations with the Congress and key allied leaders on his tentative thinking. The substance of these consultations are confidential. No final decision has yet been taken and will not be until the consultations are complete. We will not comment on the substance of the consultations at this time.

SALT II is an unratified treaty that would have expired on December 31, 1985. The United States is currently following the policy announced by the President on June 10, 1985. At that time, the President committed to go the extra mile. He did so, dis-

mantling a Poseidon submarine, not to comply or abide by an unratified, expired treaty, but rather to give the Soviet Union adequate time to take the steps necessary to join us in establishing an interim framework of truly mutual restraint.

The issue is not one of complying or not complying with SALT II, rather of what actions to take now under the President's policy announced last June. What we do in the future depends on our national security needs and our commitments to our allies, in meeting the threat that we face, which in turn depends on what the Soviets do.

## **Message on the Observance of Secretaries Week, April 20–26, 1986 *April 21, 1986***

During Secretaries Week I am pleased to call on all Americans to join me in recognizing the vital role of secretaries in our society and economy. Skilled, professional secretaries are essential to the smooth, efficient functioning of business, government, and the professions.

One of the most important functions of any enterprise is communication, and secretaries—whether by scheduling, preparing correspondence, or working directly with the public—are among any organization's most important communicators. The efficiency and reputation of an organization are largely attributable to the skill, tact, dedication, and understanding of its secretaries.

Recent advances in technology present new challenges for secretaries, yet with each challenge comes a new opportunity.

As America's secretaries master the new technologies, office efficiency will increase and secretaries will be freed from some tedious tasks to take on exciting and rewarding challenges. We should all keep in mind that much of the technological revolution that will keep our nation growing into the Twenty-first Century will be implemented by our nation's secretaries.

I am happy to call attention to the important role of secretaries in our national life and the widening opportunities opening up for them as we move into the future. Nancy joins me in saluting America's secretaries and in expressing the gratitude of our citizens for the great contribution they make to their country and its economic strength. They have our warmest good wishes.

**RONALD REAGAN**

## Message on the Observance of National Volunteer Week, April 20–26, 1986

*April 21, 1986*

Volunteers founded this nation. They did it at risk to their fortunes and their very lives. Even if we are not called on to take such risks, we are summoned by our history and our proudest traditions to give ourselves to the service of our neighbors and our nation. That is the summons of voluntarism.

I am proud to say that Americans are responding to this summons with great generosity and in great numbers. Every year almost a hundred million citizens lend that helping hand without seeking any reward save that pearl of great price, a good conscience. These wonderful citizens build up the economy of love, which is every bit as important to our national life as the economy of money. Voluntarism, the economy of love, and caring is the necessary complement of our free enterprise system. Both depend on the same kind of initiative and imagination.

Throughout my presidency I have encouraged the spirit of voluntarism, and fos-

tered our sense of the stake we all have in the great enterprise called society. I have striven to give to individuals, families, and private organizations broader scope for their voluntary contributions to the common wealth. The American people have responded with the generosity for which they are famous. Every day we receive new reports of highly successful Private Sector Initiatives which creatively use the resources we have as a nation and make America a still better place to live.

National Volunteer Week is a time when we recognize the generosity of our volunteers, and the incalculable contribution they make to American life. It is a time to urge volunteers to keep up their work, and to urge all Americans to become an active part of American tradition.

I say again what can never be said too often: volunteers make a difference. God bless you.

RONALD REAGAN

## Proclamation 5464—National School Library Month, 1986

*April 22, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

The accumulation of information, the acquisition of knowledge, and the application of that knowledge to solve problems or enhance life are principal functions of American education. At every level, school libraries offer a great range of resource materials that greatly enrich education and increase the knowledge and understanding of all Americans.

Young people often develop a lifelong love of reading because of their exposure to books in school libraries. Furthermore, researchers are often motivated by the vast

resources of university and special libraries as they dedicate themselves to studying the problems of society. School libraries and their dedicated staffs make an incalculable contribution to our educational system.

The Congress, by Senate Joint Resolution 52, has designated the month of April 1986 as "National School Library Month" and has authorized and requested the President to issue a proclamation in observance of this occasion.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of April 1986 as National School Library Month. I invite the Governors of every State, principals, teachers, educators, students, parents, and all*

Americans to observe this month with appropriate activities to heighten the awareness of the importance of school libraries.

*In Witness Whereof*, I have hereunto set my hand this twenty-second day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the

United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:40 p.m., April 22, 1986]

## Proclamation 5465—Asian/Pacific American Heritage Week, 1986 April 22, 1986

*By the President of the United States of America*

### *A Proclamation*

Americans who have come from Asian and Pacific countries have made notable contributions to our Nation in a wide range of fields, including science, the arts, medicine, law, literature, agriculture, industry, commerce, and government. Through the rich and varied traditions and heritages of their homelands, they have greatly enhanced America's culture and the lives of all Americans.

This Nation fittingly honors its citizens of Asian and Pacific descent. They have brought to our country an industriousness that boosts our economy and a passion for freedom that rejuvenates American ideals. We are grateful to Asian and Pacific Americans for their unwavering support for the unalienable rights to life, liberty and the pursuit of happiness that form the core of the American ethos. Through their bravery

and perseverance, they have provided us with a moving testament to the universality of the human thirst for political freedom.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim the week beginning May 4, 1986, as Asian/Pacific American Heritage Week, and call upon all people of the United States to observe this week with appropriate ceremonies and activities.

*In Witness Whereof*, I have hereunto set my hand this twenty-second day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:41 p.m., April 22, 1986]

## Proclamation 5466—Mother's Day, 1986 April 22, 1986

*By the President of the United States of America*

### *A Proclamation*

By tradition, the second Sunday in May is designated as Mother's Day, one of America's best-loved holidays. It gives us all a special occasion to honor our own, and to praise the unique dignity of motherhood.

one of life's highest callings.

Thomas Jefferson called motherhood "the keystone of the arch of matrimonial happiness," and we must always remember that with love, strength, and fortitude, the American mother assisted in the settlement, development, and prosperity of our country. Her contributions to the well-being of the family, the community, and the Nation

are beyond all reckoning. A Jewish saying sums it up: "God could not be everywhere—so He created mothers."

The role of the mother has changed constantly in our society, but its fundamental meaning abides: love and caring. The modern mother is conquering new worlds. She continues to be the heart of the family and the hearth of the home. Where mothers are honored and loved, the family is strong. And where the family is strong the nation is strong.

In recognition of the magnificent contributions of mothers to their families and to the Nation, the Congress, by a joint resolution approved May 8, 1914 (38 Stat. 770), has designated the second Sunday in May of each year as Mother's Day and requested the President to call for its appropriate observance.

*Now, Therefore, I, Ronald Reagan, Presi-*

dent of the United States of America, do hereby request that Sunday, May 11, 1986, be observed as Mother's Day. I urge all Americans to express their love and honor to their mothers and to reflect on the importance of motherhood to the well-being of our country. I direct Government officials to display the flag of the United States on all Federal government buildings, and I urge all citizens to display the flag at their homes and other suitable places on that day.

*In Witness Whereof*, I have hereunto set my hand this twenty-second day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 2:42 p.m., April 22, 1986]*

## Proclamation 5467—Father's Day, 1986 *April 22, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Each year the third Sunday in June is designated as Father's Day, a day on which we honor our Nation's fathers for everything they do for their families and for America.

Today fatherhood is sometimes drily described as a craft or an occupation, something which competes with career or outside pursuits for time and attention. Contemporary books and articles offer reams of advice to mothers and fathers on how to improve as parents and better manage their time at home and with their children. In this era of new demands and stresses on families, we frequently forget just what it is that is special about fatherhood, what makes it not a part of life, but a path in life that has, in every generation, the power to create and renew.

Fatherhood, after all, is about childhood.

Fatherhood is walking the floor at midnight with a sick baby that cannot sleep; fatherhood is an arm around the shoulders of a child crying because a balloon is lost; fatherhood is repairing a bicycle wheel for the umpteenth time knowing that it won't last more than the afternoon. Fatherhood is guiding a youth through the wilderness of adolescence toward the vast expanse of adulthood; fatherhood is holding tight when all else seems to be falling apart; and fatherhood is letting go when it is time to part. Fatherhood is long hours at the blast furnace or in the fields, behind the wheel or in front of a computer screen, working a twelve-hour shift or doing a six-month tour of duty. In short, fatherhood is giving one's all, from a child's first day of life on, from the break of day to its end—on the job, in the household, but, most of all, in the heart.

From the vantage point of his love and responsibility, a father sees the future and dedicates himself to doing whatever is necessary to bring his family safely through. No

father performs any of these tasks with thought of thanks or reward. The things that gratify him most are those that represent success in what he has labored to impart to his children: strength of character and conviction, love of family and country, a sense of right and wrong, and, above all, a spirit of thanksgiving for the generous gift of life itself.

Because human nature often keeps us from recognizing how great another's sacrifice is until we assume similar burdens, many of us realize for the first time how dearly we were prized only when we ourselves become parents. On this day for fathers, all of us have a special opportunity to say thanks to America's dads for their selflessness and devotion. We also have a chance to say a prayer for fathers everywhere—for their health and strength if they are with us, or for their blessing if this day finds them smiling down from heaven's bright corridors. Truly, for the labor and legacy of our families and our freedoms, we cannot thank them enough.

*Now, Therefore, I, Ronald Reagan, Presi-*

dent of the United States of America, in accordance with a joint resolution of the Congress approved December 28, 1970 (36 U.S.C. 142a), do hereby proclaim Sunday, June 15, 1986, as Father's Day. I invite the States and communities and the people of the United States to observe that day with appropriate ceremonies as a mark of appreciation and abiding affection for their fathers. I direct government officials to display the flag of the United States on all Federal government buildings, and I urge all Americans to display the flag at their homes and other suitable places on that day.

*In Witness Whereof*, I have hereunto set my hand this twenty-second day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 2:43 p.m., April 22, 1986]*

## Nomination of William F. Ryan To Be First Vice President of the Export-Import Bank of the United States

*April 22, 1986*

The President today announced his intention to nominate William F. Ryan to be First Vice President of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 1989. He would succeed John A. Bohn, Jr.

Mr. Ryan has recently retired as vice president for finance for Gulf & Western Industries, Inc., the position he held in 1973–1985. Previously, he was director for international finance with the Allied Chem-

ical Corp., 1968–1973; assistant vice president with Irving Trust Co., 1962–1973; and a Foreign Service officer with the State Department, 1954–1962.

Mr. Ryan graduated from Fordham University (B.S., 1950) and Louvain University in Belgium (bachelier en philosophie, 1951; licence en philosophie, 1952). He is married, has six children, and resides in Madison, NJ. Mr. Ryan was born January 27, 1926, in New York, NY.

## Notice of the Continuation of the National Emergency With Respect to Nicaragua

April 22, 1986

On May 1, 1985, by Executive Order No. 12513, I declared a national emergency to deal with the threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Nicaragua. Because those actions and policies continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, the national emergency declared on May 1, 1985, must continue in effect beyond May 1, 1986. Therefore, in accordance with Section 202(d) of the Na-

tional Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Nicaragua. This notice shall be published in the *Federal Register* and transmitted to the Congress.

RONALD REAGAN

The White House,  
April 22, 1986.

[Filed with the Office of the Federal Register, 4:24 p.m., April 22, 1986]

## Message to the Congress on the Continuation of the National Emergency With Respect to Nicaragua

April 22, 1986

*To the Congress of the United States:*

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Nicaraguan emergency is to continue in effect beyond May 1, 1986, to the *Federal Register* for publication.

The emergency situation created by the Nicaraguan Government's aggressive activities in Central America has not eased since

the declaration of the Nicaraguan emergency on May 1, 1985, nor has the Government of Nicaragua responded to my call for actions appropriate to achieving peace in Central America as contained in my message to the Congress accompanying that declaration. In these circumstances, I have determined that it is necessary to continue in effect the national emergency with respect to Nicaragua after May 1, 1986, in order to deal with this unusual and extraordinary threat to the national security and foreign policy of the United States.

RONALD REAGAN

The White House,  
April 22, 1986.



## Statement by Principal Deputy Press Secretary Speakes on Energy Policy Reforms

*April 22, 1986*

Today the President called for reforms in several key elements of the Nation's energy policy. He called for repeal of the crude oil windfall profit tax, which was enacted in 1980 to capture for the Federal Treasury part of the difference between the world price of crude oil and then prevailing federally established price controlled levels. This tax is currently scheduled to be phased out beginning January 1, 1991. Due to the decontrol and ensuing drop in world oil prices, however, there is no significant revenue accruing to the U.S. Treasury under this provision.

In addition, the President reaffirmed the importance of deregulating natural gas. Legislation to achieve this goal was recently sent to the Congress by Secretary of Energy Herrington. In connection with the deregulation of natural gas, the President also reiterated his support for repealing several provisions of the Power Plant and Industrial

Fuel Use Act which inhibit the free choice of energy sources by utilities and consumers.

The President also pledged his willingness to review measures designed to preserve the viability of marginal production wells, sometimes referred to as stripper wells, as a national energy asset. As part of this review last week, Interior Secretary Hodel announced suspension of production requirements on these types of wells located in areas managed by the Bureau of Land Management.

The President also reconfirmed his support for the current law tax treatment of the depletion allowance and intangible drilling costs contained in the Senate Finance Committee version of the tax reform bill. While the President remains concerned about our energy security, he reaffirmed his belief that lower energy prices are of great overall benefit to the American economy.

## Remarks at the Heritage Foundation Anniversary Dinner

*April 22, 1986*

Thank you very much. Clare, I must have been doing something wrong. I'm kind of enjoying it. [*Laughter*]

It's wonderful to be with you again. Some of you may remember that when the "Heritage 10" drive was inaugurated a few years ago, I had the privilege of coming over and saying a few words. I mentioned the things that were on the minds of conservatives at the moment: the place of ideas in politics, the importance of the Heritage Foundation, the remarkable work of Ed Feulner, Joe and Holly Coors, Frank Shakespeare, and so many of you in this room in bringing to Washington the political revolution that had already occurred in the American heartland. The Capital, as you know, is frequently the last place to experience or even hear about such developments. [*Laughter*]

But some of you may remember that on that wonderful evening I did make a terrible faux pas. When I arrived at the reception before dinner, I saw Joe and Holly, and I mentioned how good it was to be among friends. And then I added: "Joe, it's been a long hard day in the Oval Office, but now it's Miller time." [*Laughter*] Some of you may also remember that's when Joe showed me his Mondale button. [*Laughter*] So, when I arrived at the reception tonight—and you can well imagine that I was very careful about what I said—I complimented Joe on his tremendous work with Heritage and mentioned to him how, from a little seed, such a great organization had flowered. "There's no doubt about it, Joe and Holly," I said, "this bud's from you." [*Laughter*] Well, I felt pretty bad until

somebody told me that Joe and Holly had expected tonight's speaker to be an actor from California who had dedicated his life to public service. And when I walked in, Holly said to Joe, "Hey, that's not Clint Eastwood." [Laughter]

But I do want to thank Clare Luce for that wonderful introduction. I can't say enough about Clare, and I certainly can't say anything more than I used to in all those telegrams I sent her years ago when she was a successful playwright and I was an actor looking for work. [Laughter] But to be serious, I quoted Clare Luce in a recent address to the Nation, and I suspect I won't be the last President to do that. Clare, it's no exaggeration to say that you've more than made your mark in American history. Tonight I thank you, Heritage thanks you, and so does the conservative movement.

But I can't help reflecting tonight on the fact that "Heritage 10" actually exceeded its fundraising goal by \$2 million. Ed Feulner says he's thinking of using the extra money to set up a first-aid station for Washington liberals—[laughter]—which just goes to show the conservative movement has come of age: We've gone from hope to charity. [Laughter] Tonight is special for Heritage. It marks the culmination of an extraordinary project. What boldness it took to suggest that Heritage, whose operating budget only a few years ago was \$3 million, could raise 10 times that amount in just 2 years. But you've done it and then some.

Yet it isn't really the money, nor even the tremendously valuable work that will be done with it, that needs to be talked about tonight. After all, I could stand here most of the evening and recite all the newspaper accounts of Heritage's success, with the adjectives ranging from "stunning" to "amazing." But on this point, the record speaks for itself. So, I think the time is better spent explaining the causes of Heritage's success, causes that lie deeper than a good many people realize, causes that teach us something about the nature of historical change itself.

One of the most valuable lessons that history has to teach us is that after the most terrible frustration and discouragement sometimes change can come so quickly and so unexpectedly, it surprises even those

who have made it happen. This is particularly true in Washington. One Cabinet member in a former administration put it very well: "The toughest job in Washington," he said, "is being able to tell the difference between the tides, the waves, and the ripples." Well, actually that's been the problem with the perceptions of many of the experts and the pundits; they concentrate so much on the ripples, they can't see the waves and the tides.

An analogy that I've used before on this point has to do with March of 1943. In that terrible month it became clear that the allies were losing the battle of the Atlantic. It was the only development, Churchill said, that ever really frightened him during the war. More than 500,000 tons of allied shipping went down; thousands of merchant seamen lost their lives. England was left with only a 2-month supply of food and material, and the experts in the British Admiralty seriously doubted that England's lifeline across the Atlantic could be kept open. But then suddenly—only a month later—it all changed. Innovations in the convoy system, escort training, radio and radar use, long-range aircraft had a sudden cumulative weight. Suddenly the U-boat wolfpacks sustained enormous losses. Hitler's admirals were conceding the defeat in the Atlantic, and by June it had all turned around. The experts were confounded. In a little over 60 days, the looming catastrophe had turned to decisive victory. Allied convoys crossed the ocean without the loss of a single ship.

I first used that analogy back in 1982, when the same people who said the oil shortage would last for decades were talking gloom and doom about America's economy. They claimed that huge, new tax increases were the only way to get the economy moving again. Back then, they used the term "Reaganomics." And maybe you haven't noticed—they're not using that anymore. [Laughter] But the larger point is this: Being too close to the data can sometimes mean missing its significance and the chance to change it for the better.

There were many people who thought you were being unwise in setting out on such ambitious goals at your 10th anniversa-

ry dinner; just as a few years ago there were those who told Clare Luce that co-chairing Citizens for Goldwater would hurt her reputation. [*Laughter*] There were even those who warned me that a certain TV broadcast I did for the Senator in '64 would certainly end my career. And you know, come to think of it, they were right—[*laughter*—it did end my career, at least one of them. [*Laughter*]

But as one American intellectual and religious leader of the last century, William Channing, said: "There are seasons, in human affairs, of inward and outward revolution, when new depths seem to be broken up in the soul, when new wants are unfolded in multitudes, and a new and undefined good is thirsted for. There are periods when in truth to dare is the highest wisdom." And that's the story of Heritage's success. Joe and Holly Coors and a young man named Ed Feulner wouldn't listen to the experts. They knew the experts lacked vision, that they were too close to the data, that they only saw the ripples. And they knew, too, that the best way to ride the wave of history is to make a few waves of your own.

Ed Feulner, you're a combination of many things: intellectual, administrator, politician, diplomat, but most of all, dreamer and darer. And for that, and for Heritage, all of us salute you.

Joe and Holly, I won't even mention the personal debt that I owe each of you. Let me just say that no one has been more important to Heritage's success and that of the conservative movement than the two of you. So, let me also say, as President, on behalf of the present generation of Americans and many more to come, your devotion to country, your selflessness and patriotism, put all of us in your permanent debt.

I think we should keep in mind the example of people like Joe, Holly, and Ed when we try to grasp the significance of what's happening in the world today. Heritage—with its quiet promotion of ideas, its seminars, its research papers, its conferences, and, yes, occasionally its buttonholing of Congressmen—for informational purposes only, of course—[*laughter*—is a reflection, as well as a cause, of the revolution in ideas occurring throughout the world, a revolution whose significance may only be appre-

ciated long after it has brought about startling, unexpected change.

Recently I've asked a few conservative audiences to reflect on that change, to think back to 1980 and ask themselves: Who would have thought that in a few short years even our political opposition would be calling for an end to deficit spending and voting for a de facto balanced budget amendment, known as Gramm-Rudman? Or who could have predicted that a House of Representatives supposedly under liberal leadership would spontaneously repeal the Clark amendment, the amendment which prevented us from helping the freedom fighters in Angola?

But these changes in American domestic politics reflect a wider international trend. Since our first days in office, our administration has tried to defend our way of life not just by increasing the defense budget, but by pointing to the world of ideas and the revolution now going on there. We've talked about the decadence of Marxist-Leninist ideology. Early in 1981 I mentioned to Mrs. Thatcher [Prime Minister of the United Kingdom] that totalitarian ideology had lost its force and energy and perhaps the time had come for the democracies to plan for a world where that ideology was no longer a dominant force. A little later at Notre Dame, we called communism a spent force, a sad, bizarre chapter in human history whose last pages even now are being written. And in Westminster, I noted that statism had lost the intellectuals. Our call was for a forward strategy for freedom, a crusade to promote and foster democratic values throughout the world.

Much of this at the time was viewed skeptically. But here we are a few years later; democracy is prospering in many nations where it's never before been seen. In Latin America and the Caribbean alone more than 50—or 90 percent of the people live in nations that are democracies or headed in that direction. What a change from a few years ago. And we've seen the insurgencies in Afghanistan, Cambodia, Nicaragua, Angola, and elsewhere, vivid evidence that the romance of revolution is no longer on the side of the totalitarians. It's telling proof that the eighties is a break

with the past, that the eighties is truly the decade of the freedom fighters.

There are those, of course, who are a little slow to catch on to all this. And it probably won't surprise you that a good many of them reside here in Washington. [Laughter] But even this is changing. The old politics, the post-Vietnam syndrome, the partisans of "Blame America First," are fading fast.

So, let me make a prediction. I think there's a growing recognition that the idea of self-government and the commitment to democratic rights is on the march everywhere in the world, and especially in Central America. Those who've been naive about the dangers of communism in the past, those who've been wrong about the nature of Communist regimes in Vietnam, Cambodia, Grenada, and El Salvador are uneasy now with their views on the Sandinistas and the freedom fighters. So, here is my prophecy: We're going to get the freedom fighters the help they need, and we're going to get it to them soon. But it's going to happen because I know you and I are going to redouble our efforts over the next few weeks.

And let me make one other prediction: We must never forget that totalitarian regimes are as fragile as they are powerful. Time magazine recently did a story on scholar Robert Leiken, who went to Nicaragua and, much to the distress of some of his liberal colleagues, concluded that opposition to the Sandinistas is very deep and very strong in that nation. So, let's remember this, too: The vast majority of the people in Nicaragua want nothing to do with communism or the militarism it engenders. The day is coming when the democratic promises of the revolution of 1979 will be fulfilled and Nicaragua will be free.

The only point I'm making here is this: We've been talking about the idea of freedom, about expanding its frontiers, since the beginning of this administration. So no one should be surprised that our policies and programs have followed suit. Freedom is on the march; we pledge solidarity to those who seek to make it their own.

In much the same way, no nation—friend or foe, ally or adversary—should be surprised by the events of last week and the

United States Government's determination to protect American lives and the world from terrorism. I could recite here a long list of speeches and statements by myself and Cabinet officers outlining the terrorist danger, presenting the evidence of collaboration among certain terrorist States and making clear to those States that we would not tolerate what amounts to acts of war against the American people. Only last summer, in an address to the American Bar Association, I outlined the terrorist network, citing evidence the United States Government had accumulated as well as private scholars in the field such as Dr. Avigdor Haselkorn. I carefully outlined the interconnection among those terrorist States and issued the most solemn warnings to their leaders.

And yet, even at the start of the administration, people like Jeane Kirkpatrick were offering some pretty broad hints that things would be different. "How will the Reagan administration change American foreign policy?" she was asked early in 1981 at the United Nations. She answered correctly. She said, "Well, we've taken down our 'Kick Me' sign." And then someone said, "Well, does this mean that if the United States is kicked it will kick back?" "Not necessarily," she said. "But it does mean we won't apologize." [Laughter] Well, we haven't been apologizing. Things are different. And perhaps you've noticed. I know Colonel Qadhafi has.

And by the way, these two issues we've discussed here this evening—the march of freedom, especially in Central America, and the fight against terrorism—are directly related. In that American Bar Association address, I pointed out the strong ties of the Sandinistas to the international terror network. The Sandinistas have provided refuge for all sorts of international terrorists. Members of the Italian Government have openly charged that Nicaragua is harboring some of Italy's worst terrorists. And we have evidence that in addition to Italy's Red Brigades, other elements of the world's most vicious terrorists groups—West Germany's Baader-Meinhof gang, the Basque ETA, the PLO, and the Tupamaros—have found a haven in Nicaragua. They have actively sup-

ported the Salvadoran rebels and have frequently used terror, including the killing of four of our marines in a cafe last summer. And these are the same rebels who celebrated the *Challenger* explosion and said our astronauts were war criminals and deserved what they got.

That picture making the rounds showing Daniel Ortega standing with Mu'ammarr Qadhafi and raising his fist in a gesture of solidarity is very much to the point. I hope every Member of Congress will reflect on the fact that the Sandinistas have been training, supporting, and directing, as well as sheltering terrorists; and in this sense, they're trying to build a Libya on our doorstep. And it's the *contras*, the freedom fighters, who are stopping them. So, you see it goes back to what Richard Weaver has said and what Heritage is all about: Ideas do have consequences, rhetoric is policy, and words are action.

And just in case the meaning of last week's events are still unclear to those who would terrorize and murder Americans, let me explain once more, and, believe me, far from being belligerent or warlike—clearing up misunderstanding on this point is precisely the way to avoid conflict, not cause it.

Yes, we Americans have our disagreements, sometimes noisy ones, almost always

in public—that's the nature of an open society. But no foreign power should mistake disagreement for disunity or disputes for decadence. Those who are tempted to do so should reflect on our national character, on our record of littering history with the wreckage of regimes who've made the mistake of underestimating the will of the American people, their love for freedom, and their national valor. "The American people are slow to wrath," Teddy Roosevelt once said, "but when their wrath is once kindled it burns like a consuming flame."

So, tonight I speak for a united people. Let me say simply to those who wish us ill: We are Americans. We love our country, we love what she stands for, we will always defend her. We live for freedom—our own and our children's—and we stand ready always to protect our birthright and guard our patrimony, as our fathers did before us.

Thank you. God bless you.

*Note: The President spoke at 7:51 p.m. in the Grand Ballroom at the Shoreham Hotel. He was introduced by Clare Boothe Luce. In his opening remarks, he responded to Ms. Luce's quotations of former Presidents on the "splendid misery" of the office. Prior to the dinner, the President attended a reception for a group of the guests.*

## Letter to the Chairman of the Senate Foreign Relations Committee and the Senate Majority Leader on the United Kingdom-United States Supplementary Extradition Treaty

*April 22, 1986*

*Dear Dick:*

I understand your Committee will soon vote on ratification of the US-UK Supplementary Extradition Treaty. I am writing to emphasize the vital importance of this Treaty, both to our efforts to control terrorism and to U.S.-British cooperation in those efforts.

As Great Britain demonstrated once again last week, she is our staunchest Ally in the battle against international terrorism. Rejection of the Treaty would be viewed by the British—and the world at large—as a weak-

ening of U.S. resolve. This must not happen. Indeed, we see Senate ratification of this Supplementary Treaty as a key element of our wider efforts to promote greater international cooperation.

I am hopeful that the Senate will reject efforts to weaken the Treaty in ways that would create new legal loopholes for terrorists. In this regard, I understand some have suggested that the Treaty be modified to extradite only persons charged with offenses against civilians. I frankly do not un-

derstand such an approach. Our own recent unpleasant experiences with terrorism clearly demonstrate that American servicemen are a primary target. We should not do anything that suggests in any form that it is permissible to attack soldiers or policemen.

As you know, the recently concluded Anglo-Irish Treaty has sent a signal of hope to all the people of Ireland. This sign of hope makes it all the more important, in my view, that the United States support political dialogue and condemn the bombing and wreckage imposed by terrorism.

I urge that you and your Senate colleagues ratify the US-UK Supplementary

Extradition Treaty. I hope that you will share my comments with your colleagues. We need to stand tall with our British Allies at this important moment.

I am also contacting Majority Leader Dole in this regard.

Sincerely,

RONALD REAGAN

*Note: Identical letters were addressed to Richard G. Lugar, chairman of the Senate Foreign Relations Committee, and Robert Dole, Senate majority leader. The letters were released by the Office of the Press Secretary on April 23.*

## Interview With Foreign Journalists April 22, 1986

### *Tokyo Economic Summit*

*Q.* Well, maybe I can start, Mr. President. You're going to Tokyo at a time when there's been some signs of division and strain in the Western alliance, I think over Libya and, certainly, over trade and other foreign policy issues. And I was wondering if you see that there will be a need at Tokyo to make some sort of fence-mending with your European allies to keep the alliance in good shape.

*The President.* Well, I'm confident—after having gone to several of these summits and having now a long, relatively long relationship with the people involved, I am not concerned that we have any serious differences between us or anything that we can't work out. That's really the purpose of the summits, is to see that we meet regularly and are able to talk out any problems that arise. And I don't think the differences between us are all that great. So, I'm optimistic that when we get there we're going to talk about, as we have before, the things that we believe can be mutually beneficial—better understandings. I know that some of the things that'll be discussed is the need for another GATT [General Agreement on Tariffs and Trade] round of talks to see how we can improve that tariff arrangement. And I think very definitely we will

be talking about terrorism and how we can, cooperatively, work closer together to rid the world of this menace, this plague.

### *Libya and Terrorism*

*Q.* Mr. President, are you going to press the allies for further sanctions against Libya? Also, you didn't follow very strictly through with your own oil companies.

*The President.* I think that what we're going to do is take the subject of terrorism and all that we all know about it—we have made great progress with regard to our sharing of intelligence information, and that resulted last year in the aborting worldwide of 126 known, planned terrorist actions. And so, I think we're going to start with what can we find that we can all agree upon as a means of dealing with this problem. If I understand you correctly with regard to the oil situation—were you speaking about the need of the European countries for Libyan oil or were you speaking about the American-owned companies—

*Q.* The American oil companies still in Libya.

*The President.* Yes, there is a problem there that I've seen some critics now in the media saying, "How can this go forward?" What would the alternative be? The alternative would simply be that Qadhafi would

confiscate them, and then he'd be better off than he is now. He'd own the whole thing instead of simply getting a royalty from oil being produced there.

*Q.* Mr. President, the Prime Minister of Italy, Mr. Bettino Craxi, disagreed with the American bombing on Tripoli. But at the same time he condemned the Libyan state-sponsored terrorism. Craxi said, "We need a cease-fire in the Mediterranean Sea. Otherwise, the situation gets out of control." What do you think about this statement?

*The President.* Well, I agree. And I've noticed—if he's been quoted correctly—I'll be looking forward to talking to him there about this. He has made it plain that if Italy is the victim of such terrorism, Italy will respond. So, we seem to have something in common there.

#### *South East Asian Nations*

*Q.* Mr. President, we Japanese people are very, very honored and we look forward to welcoming you and other leaders to Tokyo for the summit. But actually, we are very much interested in your visiting Indonesia and meeting the ASEAN [Association of South East Asian Nations] leaders before coming to Tokyo. And we feel that it's going to be somewhat of a historic summit in the sense that you and Mr. Nakasone had talked about this summit quite recently. And Mr. Nakasone has said that he and you share the view that you two work together to send the message of bright future for the 21st century in the coming summit.

Could you share some of your views or some of these messages to us?

*The President.* Yes, I do, and will, because he and I have discussed this, and it is true. I think that the new frontier, the next frontier in the world is the Pacific Basin. And having been a Governor of a State that for 1,500 miles borders on that Pacific, I have long been interested in the development there. And now the ASEAN nations are, as far as our country is concerned, our fifth greatest trading partner. And they have made more gains in development than any of us. They're coming along faster in their economic growth than any other part of the world. So, I think it's most important that all of us should be looking there for how we can cooperate with them and be of help in

their further development and so forth.

*Q.* Mr. President, for France, as you know, there would be President Mitterrand and the Prime Minister, Jacques Chirac. Will you consider the Prime Minister as an equal, as someone you can talk with, or will you just as before—the other summit—will you talk and speak with and negotiate with Mr. Mitterrand?

*The President.* I think that that is something to be decided by the French Government, that the manner in which they come and how they have arranged their own place in government will be accepted by the rest of us; and certainly we will cooperate with however they have chosen to do this. If it is separately or together or however, that is, we'll respect France's right to determine that.

#### *Canada-U.S. Free Trade Agreement*

*Q.* Mr. President, I think you expect me to talk about free trade today with this in front of the Senate Foreign Relations Committee. It looked this morning as though the Canada-U.S. free trade agreement was going to be defeated. And it's been postponed, I gather, until tomorrow morning, but still chancy. Some of us think this is historic, an example for the world in terms of trade and liberalizing trade. But I think many people have the impression that the White House has not been very—it's not been a high priority for the White House. So, I'd like to ask, you know, how important is it to you? What are you willing to do, and what if this is defeated tomorrow?

*The President.* It is extremely important, and we have been—I have been on that telephone a great deal. You know our governmental situation and our legislature and all. And I'll be very frank with you and tell you that I am concerned that the possibility—well, that some of the negative votes are not aimed at Canada but are based on certain political differences here within our own country and our government. And I have been urging and will continue to do everything I can. This delay of the vote was a part of our struggle to see if we can't be successful. But do everything I can to see that we work this out, because here we are—we are the greatest trading partners of

each other in the world. And I think that this is all-important and that we should continue this and go forward with these negotiations that the Prime Minister and I have talked of. And I regret very much that there are some in-house differences that are threatening this arrangement.

#### *Libya and Terrorism*

*Q.* Could I go back to Libya again, Mr. President? Your spokesman this morning—

*The President.* Be careful when you go there. [Laughter]

*Q.* I don't mean physically. Maybe you can give me a ride. [Laughter] Your spokesman this morning said that—I think in your name—that the United States welcomed the action that the Europeans took yesterday in restricting Libyan diplomats further—

*The President.* Yes.

*Q.* —but that more was needed. And I was wondering what sort of “more” that meant? Does it mean economic sanctions still? Is that the sort of thing you're going to ask in Tokyo?

*The President.* Again, as I say, I hate to dwell on one thing or another. We know that this is going to be discussed, and I want to see what we can all come together on. But there's no question about the seriousness of this, and there's no question about serious, open dedication to the use of terrorism. As a matter of fact, they have called it a war. And, granted, that they have aimed the war, according to Qadhafi's words, more specifically at us. But right now—and one of the things that we knew before we took our action against them was that we have definite information on at least 35 planned terrorist actions. And they are particularly aimed at Americans, but they take place in all of the other countries. And, therefore, the violence is not going to be confined to just a target.

For example, we know that in France the expulsion of those Libyan diplomats was because we knew of an action that had been planned and even the weapons distributed. And what that was going to mean was that when people—the only place where America was the target was the locale—our Embassy. But outside the Embassy where the

people line up to come in to get visas—now, those won't be Americans, they don't need visas to come to America; so those would be citizens of France and other countries that would be there. And that action was simply to mow down with grenades and small arms fire these people—men, women, and children that would be lined up there seeking visas. So, there isn't any one of us that is free from the threat. In the Rome and Vienna airport slaughters, which I think Mr. Qadhafi called a “noble deed,” well, there was only a minority of Americans there. They happened to be in front of American Airline ticket offices, but—or ticket counters, but these were people of several other countries.

So, it is an international problem. And I think that we can continue the cooperation we've had and enlarge upon it and bring this to an end.

#### *European Economic Recovery*

*Q.* Mr. President, concerning economic policy, the main issue of the Tokyo summit should be, perhaps—the German economy grew faster than the American last year and is expected to be the fastest growing among the big industrial countries this year. So, do you have still any complaints about German economic policy?

*The President.* No. We're delighted to see this. We're pleased about our currencies coming more into line with each other. I think it is fair to say, and true to say, that in the economic recovery, which all of us were suffering—or the economic decline, we seemed to take off first, and we were the first in bringing about the recovery and the expansion that we've had. But you really can't be prosperous unless all your trading partners are, too. And so, we're delighted to see now that the recovery has spread around to the other nations in the world and to our other trading partners. And I think it's all to the good. We're delighted.

*Q.* May I follow up, sir?

*Q.* Yes, go ahead.

*Q.* Would you like to see the deutsche mark and other European currencies arising still further in comparison to the dollar, because you just told us they are now coming in line?



*The President.* Yes. And if it is done as the result—

*Q.* Yes—so, yes, you would like the rise—

*The President.* Yes, if it is done as just the result of the economic growth and the recovery of the economies of the other countries.

*Q.* So, you're expecting the deutsche mark rising further because the German economy is—

*The President.* I don't think anyone can predict where it will come to, but I know the same thing has happened with the yen in comparison to our dollar. It, I believe, now is at the highest point it has ever been. But this makes for better trade for all of us.

#### *International Terrorism*

*Q.* Mr. President, again on terrorism, Italy is, as you know, on the frontline in the Mediterranean. This morning in the New York Times, in the column, someone said that the Italian Government, before the strike on Tripoli, was saying, and Mr. Craxi was saying, strike harder; we can't say it publicly, but do it. That is true or not?

*The President.* Well, I don't think I should be commenting on what someone might have said confidentially or not. But we're good friends. And, as I say, I think that we probably will find in Tokyo that we all are in more agreement than some of the impressions that have been given.

#### *International Debts*

*Q.* Mr. President, we have produced a huge problem, the so-called Japan Problem, in a form of nearly \$50 billion current account surplus, balance-of-payment surplus. And maybe there are some disagreements even among the Western allies—I mean, between the United States and Europe about the efficacy of the policy, new policy which is now being propagated by Mr. Nakasone and his Cabinet. And what would you expect the Tokyo summit—deal with this huge current balance-of-payment surplus problem, so-called Japan problem?

And on the other hand, you see, there is another huge problem in the form of the accumulating deficit—or rather debts in the Third World countries. So, I would rather, you know, expect, or I would even hope,

that you, Mr. President, have some nice sort of "Reagan Plan" up your sleeve—[*laughter*—to solve these sort of things—[*inaudible*]]—

*The President.* I think we're all better off if we go forward with helping the lesser developed nations, and they're the debtor nations now. But the manner in which they should be able to pay their debts is to have, again, an increase in their economy and have them become more self-sustaining, self-sufficient. And I think that your Prime Minister and I are agreed on the need for the nations like those in the summit to help—and not help just in the old way of hand-outs but to help them develop their economies so they can be more self-sufficient. And I think we're very much agreed on that. Now, the other part of your question, if I understood correctly, were you talking about the plan for Japan to become more an importing nation?

*Q.* And, also, in a form of the, you know, financial aid and something like that to the Third World countries who are suffering from the accumulating debts?

*The President.* Well, Japan has been in the forefront as a nation in, say, such help. And I think all our nations have tried to do this. And to the other problem about more of an importing nation, yes, I think this makes for, actually, better economics for your country as well to do this. Because as it is now, and probably as a result of some of your taxing policies, the incentive is more to saving than it is to consuming. Well, as the standard of living goes up and there is more consumption and more need to consume, then there's more industry both ways. And you have to remember that if that means Japan buying from outside and importing, but then that makes those they import from better able to buy in turn, and we all benefit.

#### *International Trade*

*Q.* Going on, Mr. President, on those trade matters, how do you see the trade talks with your European partners in Tokyo, with this trade war starting here in the States against European Community?

*The President.* No, no, wait a minute. I'm sorry, I—

*Q.* On this trade issues, you know, U.S.A. has started, since 2 or 3 months now, a kind of war against EC countries on trade issue. And I really wonder how you can be really optimistic on the trade issue in the Tokyo summit with this background between European Community and U.S.A.

*The President.* Well, the thing that we believe in and were trying to sell worldwide is the need for free trade and open markets. And free trade must be fair trade. If you're trading with a trading partner who has protective tariffs or limits and quotas and so forth—that isn't free trade, because it isn't fair trade. And we had an experience—the world did, as a matter of fact, due to us. Back in the thirties, the 1930's, in the Great Depression—and some in our country here thought that a great protective tariff was the answer to our Depression. So, a thing called—for the two authors of it—the Smoot-Hawley tariff was put into effect. And it spread the Depression worldwide. And we never want to make that mistake again.

I'm opposed to protectionism. Now, it is true the European Community does practice some; for example, by Spain and Portugal's entry into the European Community. What happened there was under their rules. Their rules violate the GATT agreement, because those rules say that now Spain and Portugal must buy the agricultural products they have been buying from the United States, they must buy them from other members of the Community. Well, this is like taking \$1 billion in trade away from our American farmers. And we feel there's got to be some compensation for this so that we can—and the best way would be for us to all review, and that's what we keep trying to do at the economic summit—to all review where we're restricting trade; at the same time that we want to sell, we don't want to buy.

And much of this—we've made a number of bilateral agreements, we're working bilaterally with Japan on this. But I think—I just—my own feeling is that every bit of economic history shows that free and open commerce is beneficial to all. And when you get in trying to adjust it and restrict it with various agreements, that's when you get in trouble, because protectionism is a

two-way street.

You may say, well, like I vetoed a bill that our Congress passed. And it was a bill that would have had some protectionism here in our country for two or three different products. And they were trying to say that, "Well, this would mean more jobs in those industries for Americans." But nobody counts the jobs over here in the other industries that you lose when the other country retaliates. So, that's why I vetoed the bill; and they didn't override my veto. But this is what we need to talk about with the European Community, and we are going to be discussing with them.

*Q.* What do you hope to accomplish in Tokyo? And specifically, if you can't get a free trade agreement with Canada, how can you hope to have this kind of liberalization that you've just been talking about?

*The President.* Well, I'm not going to quit on one vote. We're going to keep trying for this.

*Q.* Would you?

*The President.* Yes. Oh, yes, of course. It's the right thing to do, and we'll keep after it. And I'll be pleased if you will quote me correctly on that to your people.

*Q.* Give it to me and I'll quote it.

*The President.* All right. No, I mean we're not going to give up on it.

*British Prime Minister Thatcher*

*Q.* Mr. President, by supporting you on the attack on Libya, Mrs. Thatcher has got herself into quite a lot of domestic political problems. In fact, one of the opposition has accused her of turning the British bulldog into a Reagan poodle. And I was wondering what you would have to say to her if you can help her in any way on that in Tokyo—for example, by discussing the future, possible use of American bases in Britain?

*The President.* Oh, yes, you bet I'll be discussing it. But you know something? I have to tell you that I have never known of a time when the English bulldog is safer than it is with Margaret Thatcher where she is. And she is not allowing anyone—anything in England to become an American poodle. I remember one of your countrymen said something and I have come to agree with it above all, and that was on my

last trip there, when he very enthusiastically hit his fist in his hand and said to me, "Margaret Thatcher is the greatest man in England." [Laughter] I don't mean that to offend the ladies. I think he was trying to be complimentary. But, no, I have the greatest respect for her. And I'm sorry that her very courageous action caused her the problems that it did. But at the same time that she has my sympathy, she also has my conviction that she is well able to take care of herself and her country.

#### *Middle East*

Q. Mr. President, this morning's Wall Street Journal reported that you would like to encourage kind of a Marshall fund for the Middle East in Tokyo. Is that correct, and who should come up with the money in your opinion?

The President. Well, all of us. [Laughter]

I don't know that we actually call it that, but in all the efforts to bring about peace in the Middle East, this idea that [Israeli] Prime Minister Peres broached to us of why don't we enlarge the circle. And why don't we bring in all the countries of the Middle East—all the moderate Arab States themselves—and look at the underlying problems there, economic and otherwise. And then say, wait a minute, instead of just sitting here in one room trying to bring a few countries together on a peace treaty, why don't we see how all together—and they and with whatever outside help is needed from all the rest of us in Europe and here in the Western World and Japan—how can we maybe bring about this same kind of thing we've been talking here about other parts of the world, of economic improvement, elimination of things that cause differences between various States, and enhancing the security of all, not just one or two. And I told our people—I said this—let us look at this and let us start talking to our friends and allies about what we can see

together that might solve this. Because for too long a time the Middle East has been the touchpoint that could set off world conflicts.

Q. Mr. President—

Mr. Speakes. We've got a group of Congressmen that are cooling their heels out in the lobby. I hate to cut some of you short, but I don't think we've got an alternative but to go ahead and get your Congressmen in here. I'm sorry.

The President. All right.

#### *International Monetary Conference*

Q. Mr. President, will you arrive—[inaudible]—conference on monetary question in Tokyo? You talked about them on the 4th of February.

The President. Will I talk about the—

Q. In your statement of the 4th of February, you talk about a monetary conference, international conference.

The President. Oh. We asked our people to look at that. I still don't have the results of their studies to see whether this could happen—[inaudible].

Q. This is actually a follow up of my first question. What is your thinking about the Atlantic-Pacific Corporation?

Mr. Speakes. We'd better not do any more questions, because we're really going to get behind.

*Note: The interview began at 2:05 p.m. in the Oval Office at the White House. Participants included William Johnson, Globe and Mail, of Canada; Petra Muenster, Handelsblatt, of the Federal Republic of Germany; Patricia Colmant, Les Echos, of France; Roberto Pesenti, Il Messagger, of Italy; Akiyuki Konishi, Maninichi Shimbun, of Japan; and Reginald Dale, London Financial Times. The transcript was released by the Office of the Press Secretary on April 23. Larry M. Speakes was Principal Deputy Press Secretary to the President.*

## Remarks to the International Forum of the Chamber of Commerce of the United States

April 23, 1986

I appreciate this opportunity to be here with you today. One of America's greatest assets is the skill and professionalism of its men and women of commerce and industry—the peppery, can-do spirit of our business community is in stark contrast to the inefficiency and poor performance often associated with other economic systems. Of course mistakes do happen. There is the story of the fellow who ordered a bouquet of flowers to be sent to the opening of his friend's new branch office. When he got there he was shocked to see flowers with the inscription: "Rest in Peace." [Laughter] He was so outraged that on the way home he stopped at the florist to complain. "Don't get so upset," the florist said. "Just think of it this way: Today someone in this city was buried beneath a flower arrangement with the inscription: 'Good luck in your new location.'" [Laughter]

I understand we've got some students with us today. One of the joys of my Presidency has been getting to meet and know the young men and women who, in the not-too-distant future, will be America's champions of freedom and enterprise. And I don't have to tell you this new crop of young people filling the ranks of our businesses and corporations are as talented and diligent as any we've ever had. Today's young Americans will come into their own with freedom, know-how, and resources far beyond anything the world has ever known. Henry David Thoreau once wrote of free people: "This world is but canvas to our imaginations." Those words were never more true than they are now. We've got every reason to look to the future with unbounding optimism. Today a refreshing breeze can be felt across the face of mankind. Winds of freedom are blowing, clearing the air, opening the view of a new and wondrous horizon.

In a few days, Nancy and I, as you've been told, will be heading west, embarking on a journey which will culminate in Tokyo with a summit of the major democracies.

And as we liftoff aboard Air Force One, circling half the globe, the winds of freedom will be propelling my mission. Those winds are blowing in Latin America where, in recent years, we've witnessed one of the greatest expansions of democracy in history. Today 90 percent of the population of this hemisphere lives in democratic countries or countries in transition to democracy. In Europe the new, vigorous democracies in Spain and Portugal and the revitalized democratic process in Turkey have proven the pessimists wrong. The democratic workers' movement in Poland—Solidarity—those suffering repression still persists. In Nicaragua, Angola, Afghanistan, and Cambodia freedom fighters struggling for liberty and independence inspire the West with their courage in the face of a powerful enemy. As I fly westward over our majestic land, I go knowing that we're witnessing an awakening to those self-evident truths to which our forefathers pledged their lives, their fortunes, and their sacred honor.

In future years, I think we may look back on the period we're going through as the vernal equinox of the human spirit—that moment in history when the light finally exceeded the darkness. In the 1970's, the Western democracies suffered economic and political reversals which sapped their confidence and gutted the resilience of their social systems. The maladies to which I'm referring were the logical result of wrong ideas and flawed policies. The innovators, entrepreneurs, and profit-seeking risk-takers, who had always been on the cutting edge of change, were gradually being pushed out or phased out. The resources and decisionmaking of the West were being channeled into the hands of central planners, government officials, and bureaucratic managers.

In our country, government spending tripled in the 1970's and the Federal tax take doubled between 1976 and 1981. By 1980 we suffered double-digit inflation, economic stagnation, sky-high interest rates, and un-

precedented national uncertainty. Nothing could be done, we were told, to escape this quagmire. Our citizens would have to lower their expectations. The American people never believed that guff, and I didn't either. Looking out over the United States today, I'm confident that our country's best days lie ahead. The winds of freedom are indeed blowing and, if America puts its mind to it, there's nothing we can't accomplish.

By bringing the growth of government under control, by easing the regulatory burden, by reducing the tax rates, giving people incentives and rewards to work, invest, and build, we've set America on a new upward course. Astounding the so-called experts, our economic engines have powered us forward with 40 straight months of growth. A record 669,000 businesses were incorporated last year alone. Interest rates are down; inflation has remained low. Over the last 3 months it has been minus 1.9 percent, the lowest in more than 30 years; and for the last 12 months it has been 2.3 percent. Almost 10 million new jobs have been created here in the last 3 years, while Europe has seen a net loss of jobs in the last decade.

Today the world, especially the developing world, is leaving behind the dismal failures of statism and redistribution. Central planning and government authority did not, as promised, usher in a new era of plenty. Instead, Marxist-Leninist models of development have left a path of poverty and deprivation whenever they've been tried. The late John Dos Passos put it well. "Marxism," he said, "has not only failed to promote human freedom—it has failed to produce food."

The developing world has been told that it's necessary to give up freedom in order to achieve progress. Nothing could be further from the truth. Freedom and economic advance go hand in hand; they are two sides of the same coin. The mainspring of human progress is found not in controlling and harnessing human energy but in setting it free. The most valuable resource is not oil or precious metals or even territory; it's the infinite richness of human potential. The creative genius and diligence unleashed when people are free and working to im-

prove their lot and that of their families is the greatest force for good on this planet.

The winds of freedom are nowhere more evident than on the Pacific rim, which of course includes my home State of California. Seriously though, after the Second World War, Japan was in ruins and devastation was heavy throughout the region. It is becoming difficult to think of the Pacific as being undeveloped, but only a generation ago that was a fair characterization. Pacific nations with almost no territory and few natural resources have become dynamic centers of commerce and production almost beyond imagination. Over the last 15 years, annual growth in the region has averaged about 6 percent. This was accomplished despite rising oil prices and at a time when some countries short on land to begin with were forced to absorb influxes of refugees.

The energy and enterprise on the Pacific rim is changing the economic center of gravity. The United States and our northern neighbor, Canada, now exchange more goods with Asia and the Pacific than with Europe. Almost one-third of total U.S. trade now flows west. Our trade enriches the quality of life on both sides of the Pacific, and while much attention has been focused on our imports from the region, we must not overlook our exports. Today we export \$54 billion worth of American products annually to east Asia and the Pacific compared to \$20 billion just 10 years ago. Again, the relationship between freedom and prosperity, between democratic government and economic progress, is clear.

We recently witnessed an upheaval in the Philippines. A major cause for discontent in the Philippines was that much of the country's business and trade was not open to all citizens. As a result, the Philippines lagged behind its Pacific neighbors. Today the Philippine people have new opportunities, economic and political. As their friends, we wish them the very best and will help where we can.

Of course, those countries forced to endure centralized Communist planning face the prospects of continued stagnation—this while much of the Pacific marches into an exciting new age of enterprise and commerce. Vietnam, isolated from the dyna-

mism of its Pacific neighbors by its continued occupation of Cambodia, is perhaps the best example of what I'm talking about.

On my upcoming trip, I'll stop in Indonesia, and there I will be discussing Cambodia, as well as other economic and security issues, with President Soeharto and with representatives of six nations which make up ASEAN, the Association of South East Asian Nations. Most important, through my trip I'll be reconfirming that the United States considers itself a Pacific rim country, and we will continue to be an important part of the economic and political forces that shape the future of this vital area of the world. If the next century is the Pacific century, as some have suggested, America will be leading the way.

From Indonesia, I will head to Japan, the site of the 12th economic summit. That this meeting is in Tokyo reminds us again of an emerging Japan. Over these last few decades, this former enemy has become a trusted friend, a major political and economic partner, and a strategic ally—the pillar of our Pacific policy. Prime Minister Nakasone of Japan is moving his country toward a new and expanded international role. Together our countries exercise enormous political and economic influence on the world. I think that all our peoples can be proud that we're using our power for benevolent ends: to secure democracy, to foster economic progress, and to maintain peace in a dangerous world.

Japan's is a dramatic story of democracy's success. That it has been built into the world's second largest market economy and is now taking on greater international responsibilities bodes well for the future. The winds of freedom blow both east and west. Man's desire to improve his lot, his longing for freedom, and his yearning to live in dignity and peace are never limited by geography. These universals tie all free peoples, and those who would be free, together.

Our annual economic summit stands in glorious defiance of the totalitarian theory that sovereign, democratic societies are too independent, too bogged down by short-sighted self-interest to be able to cooperate on matters of significance, especially matters concerning money and finances. Well, the issues may vary, but if there are two

watchwords of our economic summits, those words are "freedom" and "cooperation." Each year's gathering is an opportunity to renew acquaintances, to take stock of economic prospects, and to discuss frankly and openly issues of common interest. And this year there is much to discuss.

The continuing upward momentum of the American economy has been a major impetus to growth in the rest of the world, in both summit and nonsummit countries. Now, we urge others to join us in tackling those domestic policies and structural problems that inhibit growth and serve only as roadblocks to progress. High tax rates, over-regulation, are like a ball and chain holding too many nations back. The substantial decline in world oil prices offers the industrial democracies, as well as the developing world, a dramatic opportunity. We hope our summit partners will translate the benefits of lower oil prices into stronger growth and higher employment. Now is the time to accelerate the pace of structural change and pave the way for higher sustained growth in future years. These economic summits, with the denouement of the shock waves that went through the world economy after the oil price hikes of the early 1970's—an oil cartel artificially jacked the price of petroleum far beyond its true market value. Today's implosion of that cartel is evidence that, in the long run, the market works.

Those oil price increases remind me a bit of the businessman who every day would stop at a pretzel stand just outside his office, and every day he would put 25 cents on the plate, but he'd never take a pretzel. And this went on for quite some time. He'd stop, put the quarter on the plate, and walk on into the office, never taking one. Then one day, as he put a quarter on the plate, the woman running the stand grabbed him by the arm. And he said, "You probably want to know why I've been putting 25 cents on your plate every day and never taking a pretzel." And she said, "Well, no. Really, I just wanted you to know pretzels have gone up to 35 cents." [*Laughter*]

As the United States has demonstrated, strong, growing economies in the major industrial countries will do much to help

those in the developing world. Succinctly put: Our policies toward the Third World should be aimed at establishing partners in trade, not recipients of aid. Our approach should be to keep open our markets, not to empty our Treasury.

Last October, Secretary [of the Treasury] Baker proposed, as I'm sure he will further explain in his remarks, a program for sustained growth intended as a declaration of independence for debtor nations. Its purpose is to move them toward self-sufficiency, to assist them in developing free market, progrowth policies and to help them climb out of the pit of indebtedness and up to the level plateau of competitive enterprise and productivity. Well, the debt initiative that's proposed by Secretary Baker, which we'll discuss in Tokyo, is focused not just on postponing a day of reckoning but on solving a problem. It has the strong support of the international community. Our legacy must not be to engender dependence among debtor countries, but provide the incentives, the tools, and the opportunity for them to work, produce, and grow their way to self-sufficiency.

We want all people in every country to live healthier, more productive, opportunity-filled lives. Free and unfettered trade between nations is a vital part of the formula for achieving this goal. We're ready and willing to work with those with whom we have commerce to maximize the benefits of a worldwide, open trading system. Keeping trade fair and open will be a major topic of discussion in Tokyo. Our summit partners have already helped start up the preparatory process for a new round of multilateral trade negotiations. And we hope they'll continue their efforts to ensure that those negotiations are launched this September.

As an economics major, I was taught the law of comparative advantage. And it ought to govern the exchange of goods and services across the national boundaries. If our farmers in California can grow larger and cheaper oranges than their counterparts in Japan, the housewife in Osaka ought to be able to buy those oranges without additional cost. At home, our citizens should have the same right. Protectionist moves basically profit special interests at the expense of the consumer and at the risk of retalia-

tion—costing Americans their jobs.

Now, admittedly, the strong dollar has been a legitimate concern of those of you trying to sell overseas. The value of the dollar is in the process of adjusting as the economies in other nations improve. And now is not the time to surrender to trade-killing protectionism. The trade imbalance should be solved through multilateral negotiation that open markets, not unilateral legislation that closes them. The right answer is not decreasing imports but increasing our exports. I'll resist any attempt to restrict or close our markets. It would cost Americans jobs. It's bad for the consumer, bad for business, and it's bad for America. I'm old enough to remember the Smoot-Hawley Tariff Act, which helped spread the Depression worldwide, and I'm not about to let that happen. And on the other hand, I can assure you I'm not about to let this good and great country be taken advantage of. Our trading partners have been sent the message, and I'll reinforce it in Tokyo, that the United States is moving forward aggressively and vigorously to keep the markets of the world open and to see to it that American interests are treated fairly.

In Tokyo we'll primarily be discussing issues of economic importance. Yet all of us meeting there are fully aware of how totally dependent economic progress is on maintaining a peaceful and stable world. Those who will gather in Tokyo represent countries which, by working together, have given the world 41 years of peace in Europe—ushering in the greatest strides in science and industry in the history of mankind.

The United States, in pursuit of peace, is working in close consultation with its partners, seeking a more stable and constructive relationship with the Soviet Union. In Tokyo we'll discuss arms reduction and other initiatives connected with my meetings with General Secretary Gorbachev last November. During those meetings General Secretary Gorbachev and I talked together about the differences between our systems. I challenged him to compete with us—not in the manufacture of bombs and weapons, but in the arena of ideas. We can and should have peaceful competition between

our systems. We should let the world decide, based not on the size of our arsenals, but on the attractiveness of our ways of life. Let us be measured by our results, not our rhetoric; our deeds, not our words. Now, whether the General Secretary takes me up on my challenge remains to be determined. In the meantime, preserving peace is not just the business of the United States or of the United States and the Soviet Union. Our summit partners each share this responsibility.

One area of exemplary cooperation has been our mutual efforts to combat international drug trafficking, which undermines the respect for law and attacks the fundamental health of our nations. The threat is particularly grave to our youth. Nancy has taken on the war against drugs as a personal mission, and she's made me very proud. While I'm in Tokyo she will be carrying her message to Malaysia and Thailand, where she'll join in a comprehensive review of the antidrug efforts of those two important nations.

Coming to grips with threats posed by such evils as drugs will require all free people to work together. The democratic nations decided long ago they would stand shoulder to shoulder in such fights. Nowhere is this more imperative than in the battle against terrorism. These vicious, cowardly acts will, if we let them, erect a wall of fear around nations and neighborhoods. It will dampen the joy of travel, the flow of trade, the exchange of ideas. In short, terrorism undeterred will deflect the winds of freedom.

And let no one mistake this for a conflict between the Western democracies and the Arab world. Those who condone making war by cowardly attacks on unarmed third parties, including women and children, are but a tiny minority. Arab nations themselves have been forced to endure savage terrorist attacks from this minority. We hope and pray the Arab world will join with us to eliminate this scourge on civilization. I might add that Colonel Qadhafi's expectation of unquestioned support from the Islamic world strikes me as hypocritical. Nowhere is the slaughter of Moslem people greater than in Afghanistan, and yet Colonel Qadhafi allies himself with those perpe-

trating this crime on Islam and all of mankind.

Decent people can no longer tolerate cowardly terrorist attacks. Government-sponsored terrorism, in particular, cannot continue without gravely threatening the social fabric of all free societies. Unilateral response is not enough; it must be dealt with forcefully and collectively. And this, undoubtedly, will be a topic of discussion in Tokyo.

James Russell Lowell, in a poem entitled "The Present Crisis," and later made into a familiar hymn, wrote: "Once to every man and nation comes the moment to decide, in the strife of Truth with Falsehood, for the good or evil side." Well, over the past few months, we've had to make some tough decisions. But in the end, the decision was made for us, when a despot—despite our political, economic, and diplomatic attempts to change his ways—continued his murderous attacks on our fellow citizens. Well, America will never watch passively as our innocent citizens are murdered by those who would do our country harm. We're slow to wrath and hesitant to use the military power available to us. By nature we prefer to solve problems peacefully. But as we proved last week, no one can kill Americans and brag about it—no one. We bear the people of Libya no ill will, but if their government continues its campaign of terror against Americans, we will act again.

There was a funeral a short time ago in Annapolis. A local family, the kind you can find in any neighborhood across our country, had suffered the horror of a terrorist attack. A young man, Warren Klug, buried his wife, his baby daughter, and his mother-in-law. All were innocent victims of the bombing of a TWA airliner. After the memorial service, his baby daughter lying in the coffin with her mother, Warren Klug told his fellow citizens and the world: "To those responsible for this cowardly act, you've succeeded in devastating our family. But you will never destroy the heart and spirit of America."

Well, all of us stand united, hand in hand, with the Klug family and the others who've suffered. We're all part of the same family. As your President, I promise you that we as



a people will have the courage and the honor to do what is right. This is and will remain the land of the free and the home of the brave. The winds of freedom will be preserved, not just for our citizens but for all mankind.

And in Tokyo, I'll remind our allies of the truth of what Edmund Burke said long ago: "When bad men combine, the good must associate; else they will fall, one by one."

Well, together the free people of this world will ensure that liberty not only survives but triumphs and that our sons and daughters, too, will know the blessings of the winds of freedom.

Thank you. God bless you.

*Note: The President spoke at 11:07 a.m. in the Hall of Flags at the United States Chamber of Commerce.*

## Appointment of Two United States Representatives on the Joint Commission on the Environment

*April 23, 1986*

The President today announced his intention to appoint the following to be Representatives of the United States of America on the Joint Commission on the Environment established by the Panama Canal Treaty of 1977. These are reappointments.

*Paul D. Guth*, of Pennsylvania. Mr. Guth is a partner with the law firm of Blank, Rome, Cominsky and McCauley in Philadelphia, PA. He graduated from the University of Pennsylvania (B.S., 1953 and LL.B., 1956). Mr. Guth is mar-

ried, has three children, and resides in New Hope, PA. He was born July 18, 1923, in Philadelphia, PA.

*Mary Rose Hughes*, of Washington. Mrs. Hughes is with the law firm of Perkins, Coie in Washington, DC. She graduated from Georgetown University (B.A., 1973) and Columbus School of Law (J.D., 1979). Mrs. Hughes is married, has three children, and resides in Potomac, MD. She was born November 2, 1950, in Cleveland, OH.

## Proclamation 5468—Older Americans Month, 1986

*April 23, 1986*

*By the President of the United States of America*

### *A Proclamation*

Have your health and have everything. That saying has special meaning for the elderly. Good health and fitness allow all of us, no matter what our age, the freedom and independence to choose how and where we live and to stay involved with our families and friends. Health and fitness enable us to take an active part in community life and to pursue our goals, whether they involve a career, hobbies, volunteer activities, travel, creative pursuits, or home life.

Good health is good common sense, but it

is not enough to know this, we have to act accordingly. How we live can make all the difference. Proper diet, regular exercise, moderation in drinking, and avoidance of drugs and tobacco become even more important as we grow older. And life spans can be made longer and more pleasant by regular medical check-ups, sufficient rest, and continuing involvement in satisfying personal relationships and wholesome pursuits that keep the mind active.

Besides what the individual can do for himself, some older Americans still need the help of others to remain independent and in their own homes. Some need assistance with personal and housekeeping activities; others need attention, love, and en-

couragement. Families, friends, community groups, and the whole range of private and government providers of special services can do so much to help those older people who truly need assistance.

When we adopt good health habits ourselves, encourage others to do the same, and dedicate ourselves to helping those in need, we are truly fulfilling the tradition of good neighborliness.

The Congress, by Senate Joint Resolution 315, has expressed its appreciation and respect for the achievements of older Americans and its desire that these Americans continue to play an active role in the life of the Nation and has requested the President to issue a proclamation designating May 1986 as "Older Americans Month."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do

hereby proclaim the month of May 1986 as Older Americans Month. I ask public officials at all levels, community agencies, educators, the communications media, and the American people to take this opportunity to honor older Americans and to encourage them to do everything they can to make health and fitness an integral part of their lives, so that they can truly enjoy the golden warmth of their sunset years.

*In Witness Whereof*, I have hereunto set my hand this twenty-third day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:14 a.m., April 24, 1986]*

## White House Announcement of United States Assistance for the Philippines *April 23, 1986*

The President announced today a major program of economic and military support for the Philippines. This program is based on an assessment of Philippine economic and military needs by a U.S. assistance team headed by the Agency for International Development Administrator M. Peter McPherson and including senior Treasury, State, and Defense Department officials, which has recently concluded a visit to the Philippines. During their stay in Manila, the delegation members met with President Aquino and conducted extensive discussions with senior economic and military officials of the Aquino government. The purpose of these discussions was to assess how the U.S. Government might be helpful in supporting the new government in its efforts to address Philippine economic and military problems.

The Philippine economy faces a number of severe problems which, if they are to be resolved, will require a sustained effort by the Philippine people and government and the support of the international financial community. This effort will involve both

people-to-people programs designed to meet the immediate needs of the poorest segments of the population and policy changes that will lay the basis for lasting job creation and growth. With respect to policy changes, the Philippine economic officials outlined the sound, market-oriented economic policies, both macroeconomic and structural, which the government intends to pursue in order to restore sustainable, job-creating, and noninflationary growth in the Philippine economy. The U.S. team welcomed these policy directions and noted that in recent weeks confidence in the financial community regarding Philippine economic policies and prospects had increased. The U.S. team shared that increased confidence.

In response to this new and promising economic situation, the U.S. Government intends to support the efforts of the Philippine Government to meet its pressing financial needs through bilateral assistance programs, trade and investment policies,

and participation in the multilateral financial institutions.

#### *Bilateral Economic Assistance*

The United States plans to increase its bilateral economic assistance to the Philippines in both quantitative and qualitative terms. The elements of the foreign assistance package include a higher level of funding, acceleration in the disbursement of funds already appropriated, and better terms under which funds are made available:

- a request to Congress in FY 1986 for authorization and appropriation of an additional \$100 million in Economic Support Funds (ESF);

- acceleration of disbursement, as feasible, of the currently authorized pipeline of about \$200 million in ESF funds;

- conversion of \$100 million of development assistance funding from loan to grant, thus providing a total of \$140 million of grant development assistance; and

- an expansion of food imports under Public Law 480, title I and the President's sugar compensation program, as authorized by section 416 of the Agricultural Act of 1949 (as amended), from \$35 to \$50 million.

This funding, which totals about \$500 million, will all be on a grant basis except the P.L. 480, title I, which is on a highly concessionary loan basis. Thus our assistance will provide economic support without adding appreciably to the large external debt burden inherited by the Aquino government.

In addition the United States is developing, on an urgent basis, a substantial increase in people-to-people assistance, such as school and child feeding, food for work, and health programs to reduce infant and child mortality. These programs are generally administered by private voluntary and church organizations. We also expect to work closely with the Peace Corps program in the Philippines. One target for this expanded effort is the severely depressed sugar-producing region on Negros Island. The increased funding for these programs will come from P.L. 480, title II, and section 416, and will approximately double the currently programmed level of \$7.7 million.

Finally, the U.S. assistance program will

seek, to the extent feasible, to give direct support to private sector development, utilizing various funding sources including new authorities for the P.L. 480 title program contained in provision 1111 of the Food Security Act of 1985.

#### *Trade and Investment*

The U.S. will take the following measures in the area of trade and investment policy in support of the Aquino government's economic program:

*GSP*—\$219 million of Philippine exports benefited from the U.S. Generalized System of Preferences in 1985, and the Philippines was the 12th largest user of the program. We will be working with the Philippine Government on ways to expand and improve their use of this program.

*Textiles*—Philippine textiles exports totaled \$431 million in 1985 under the existing bilateral agreement that expires at the end of this year. We will approach the forthcoming negotiations for a new agreement with a view to assuring continuing reasonable growth of textile exports during the critical period of Philippine economic recovery ahead.

*Eximbank*—All Eximbank programs are available to support Philippine imports from U.S. suppliers. Short-term financing for recent shipments amounts to \$90 million. Support for \$230 million remains available, and this is expected to meet current Philippine needs.

*OPIC*—The Overseas Private Investment Corporation is prepared to expand its insurance and guarantee programs in the Philippines as new investment projects develop. It also has available direct-lending resources, particularly for joint ventures engaged in by small- and medium-size companies. We will be discussing with the Philippine Government and the U.S. private sector the possibility of an OPIC investment mission before the end of the year.

*Department Of Commerce*—The U.S. Department of Commerce is in touch with the Philippine Government regarding resumption of trade and investment missions to the Philippines and a series of Philippine trade/investment seminars to be held in the U.S.

#### *The Multilateral Economic Framework*

The Philippine Government has expressed strong interest in exploring the possibilities of taking advantage of the Program for Sustained Growth, the initiative taken last fall by Secretary of the Treasury Baker to strengthen the international debt strategy and support sustained growth in middle-income debtor countries.

The U.S. economic team welcomed the Philippine Government's interest in the Baker plan and expressed the view that the broad policy directions of the Philippine authorities should position it well to take advantage of the opportunities provided in the Baker plan to achieve sustained economic growth.

In this connection, the Philippine Government stated it was engaging in early discussions with the following in order to develop support for its macroeconomic policies and structural reforms: the International Monetary Fund (IMF), the World Bank (IBRD), the International Finance Corporation (IFC), the Asian Development Bank (ADB), and commercial banks.

The Philippine Government has also expressed its interest in an early meeting with other bilateral, as well as multilateral, donors in order to mobilize their support for Philippine economic recovery. The U.S. agrees to participate in such a meeting and will work actively to assist the Government of the Philippines in arranging an early meeting.

#### *Military Assistance*

Additional military assistance is urgently needed for basic requirements—logistics, communications, transportation, and troop support—and to help promote military reforms. Our support package contains:

- a request to Congress in FY 1986 for authorization and appropriation of an additional \$50 million in the Military Assistance Program (MAP);

- conversion of approximately \$24 million of prior year, unused Foreign Military Sales (FMS) credits to MAP grants and replacement of \$50 million FMS credits with MAP grants in the FY '87 budget request.

The Aquino government has clearly demonstrated the intention to carry out needed economic and military reforms. President Aquino has also promised that a constitutional commission will draft a new constitution to be submitted to the people for ratification and that there will be elections for local officials and members of the legislature under the new constitution. The economic and military assistance contained in their package will serve as an important manifestation of support from the American people to the Philippine people as they face the very difficult challenges ahead.

#### *Budget Impact*

The President's request includes provision for offsets for the additional \$100 million in Economic Support Funds and \$50 million in MAP funds to remain within overall budget totals.

## **Nomination of Christopher Hicks To Be General Counsel of the Department of Agriculture**

*April 24, 1986*

The President today announced his intention to nominate Christopher Hicks to be General Counsel of the Department of Agriculture, vice Daniel Oliver.

Mr. Hicks has served since February 1985 as Deputy Assistant to the President for Administration and Director of the Office of Administration. He also serves as a member of the Advisory Council on Historic Preser-

vation. Prior to assuming his current position, Mr. Hicks served as the Executive Assistant to the Secretary of the Treasury and Executive Secretary of the Department of the Treasury. He joined the Treasury Department in 1983 as Executive Secretary. Previously he was the Associate Director (Economic and Transportation Group) of the Office of Presidential Personnel at the

White House. From March 1981 to May 1982, he was Associate Counsel in the Office of the Counsel to the President. Prior to joining the Reagan administration, he was a trial attorney with the firm of Fulbright & Jaworski in Houston, TX. He also served for a year as a law clerk to the Supreme Court of Texas.

Mr. Hicks received his bachelor of arts

degree from Colorado College in Colorado Springs, CO, in 1972, and he earned his J.D. from Southern Methodist University in 1977. At SMU he was an editor of the law review, an officer of the student government, and a member of Barristers (an honorary scholastic/service organization). He resides in Maryland with his wife and two children.

## **Announcement of the Recipients of the Presidential Medal of Freedom**

*April 24, 1986*

The President today announced his intention to award the Presidential Medal of Freedom, the highest civilian award of our government, at a luncheon to be held at the White House on May 12, 1986. The following individuals will be awarded this prestigious award by the President.

*Ambassador Walter H. Annenberg*, for his contributions in the fields of education, public service, philanthropy, and especially as the pioneer in the use of television for educational purposes.

*Col. Earl H. (Red) Blaik*, former head football coach at Dartmouth and the United States Military Academy, for his contributions in the

fields of education and public service.

*Senator Barry Goldwater*, for his contributions in the field of public service and national interests of the United States.

*Miss Helen Hayes*, actress, for her contributions in the field of the arts and entertainment and other significant public endeavors.

*Gen. Matthew Ridgway*, distinguished military hero, for his contributions to the security and national interest of the United States.

*Mr. Vermont Royster*, journalist, for his contributions in the fields of journalism and communications.

*Dr. Albert Sabin*, physician and scientist, for his contributions in the fields of education and science.

## **Message to the Congress Outlining Proposals for Improving the Organization of the Defense Establishment**

*April 24, 1986*

*To the Congress of the United States:*

On February 26, I spoke to the American people of my highest duty as President—to preserve peace and defend the United States. I outlined the objectives on which our defense program has rested. We have been firmly committed to rebuilding America's strength, to meeting new challenges to our security, and to reducing the danger of nuclear war. We have also been dedicated to pursuing and implementing defense re-

forms wherever necessary for greater efficiency or military effectiveness.

With these objectives in mind, I address the Congress on a subject of central importance to all Americans—the future structure and organization of our defense establishment.

Extensive study by the Armed Services Committees of the Senate and the House of Representatives has produced numerous proposals for far-reaching changes in the

structure of the Department of Defense, including the organization of our senior military leadership. These proposals, sponsored by members with wide knowledge and experience in defense matters, are now pending before the Congress.

In addition, a few weeks ago I endorsed the recommendations of the bipartisan President's Blue Ribbon Commission on Defense Management, chaired by David Packard, for improving overall defense management including the crucial areas of national security planning, organization, and command.

For more effective direction of our national security establishment and better coordination of our armed forces, I consider some of these proposals to be highly desirable, and I have recently taken the administrative steps necessary to implement these improvements. In this message, I wish to focus on the essential legislative steps that the Congress must take for these improvements to be fully implemented.

Together, the work of the Packard Commission and the Congress represents certainly the most comprehensive review of the Department of Defense in over a generation. Their work has been the focus of an historic effort to help chart the course we should follow now and into a new century. While we will continue to refine and improve our defense establishment in the future, it will be many years before changes of this scope are again considered. Given these unique circumstances, I concluded that my views as President and Commander in Chief should be laid before the Congress prior to the completion of legislative action.

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#### *Executive and Legislative Responsibilities*

In forwarding this message, I am cognizant of the important role of the Congress in providing for our national defense. We must work together in this endeavor. However, any changes in statute must not infringe on the constitutionally protected responsibilities of the President as Commander in Chief. Any legislation in which the issues of Legislative and Executive responsibilities are confused would be constitution-

ally suspect and would not meet with my approval.

My views concerning legislation on defense reorganization now pending in the House and Senate reflect a reasoned and open-minded approach to the issues, while maintaining a close watch on the constitutional responsibilities and prerogatives of the Presidency. While I had considered forwarding a separate bill to the Congress, I concluded that this was not necessary since many of the legislative recommendations of the Packard Commission are already pending in one or more bills. However, additional changes in law are also proposed in those other bills, and such changes must be carefully weighed.

Certain changes in the law are necessary to accomplish the objectives we seek. Among these are the designation of the Chairman of the Joint Chiefs of Staff as the principal military adviser to the President, the Secretary of Defense, and the National Security Council, and the Chairman's exclusive control over the Joint Staff; the creation of a new Vice Chairman of the Joint Chiefs of Staff; and the creation of a new Level II position of Under Secretary of Defense for Acquisition.

Other proposed changes in law are, in my judgment, not required. It is not necessary to place in law those aspects of defense organization that can be accomplished through executive action. Nevertheless, if such changes are recommended by the Congress, I will carefully consider them, provided they are consistent with current policy and practice and do not infringe upon the authority or reduce the flexibility of the President or the Secretary of Defense.

#### *General Principles*

The organization of our present-day defense establishment reflects a series of important reforms following World War II. These reforms were based upon the harsh lessons of global war and were hastened by the new military responsibilities and threats facing our Nation. They culminated in 1958 with the reorganization of the Department of Defense under President Eisenhower.

President Eisenhower's experience of

high military command has few parallels among Presidents since George Washington. The basic structure for defense that he laid down in 1958 has served the Nation well for over 25 years. The principles that governed his reorganization proposals are few but fundamental. They are of undiminished importance today.

First, the proper functioning of our defense establishment depends upon civilian authority that is unimpaired and capable of strong executive action.

As civilian head of the Department, the Secretary of Defense must have the necessary latitude to shape operational commands, to establish clear command channels, to organize his Office and Department of Defense agencies, and to oversee the administrative, training, logistics, and other functions of the military departments.

Second, if our defense program is to achieve maximum effectiveness, it must be genuinely unified.

A basic theme of defense reorganization efforts since World War II has been to preserve the valuable aspects of our traditional service framework while nonetheless achieving the united effort that is indispensable for our national security. President Eisenhower counseled that separate "service responsibilities and activities must always be only the branches, not the central trunk of the national security tree."

Unified effort is not only a prerequisite for successful command of military operations during wartime, today, it is also indispensable for strategic planning and for the effective direction of our defense program in peacetime. The organization of our senior military leadership must facilitate this unified effort. The highest quality military advice must be available to the President and the Secretary of Defense on a continuing basis. This must include a clear, single, integrated military point of view. Yet, at the same time, it must not exclude well-reasoned alternatives.

Third, the character of our defenses must keep pace with rapid changes in the military challenges we face.

President Eisenhower observed a revolution taking place in the techniques of warfare. Advancing technology, and the need to maintain a vital deterrent, continually

test our ability to introduce new weapons into our armed forces efficiently and economically. It is increasingly critical that our forces be able to respond in a timely way to a wide variety of potential situations. These range across a spectrum from full mobilization and deployment in case of general war, to the discriminating use of force in special operations. To respond successfully to these changing circumstances and requirements, our defense organization must be highly adaptable.

Where the roles and responsibilities of each component of our defense establishment are necessarily placed in law, they must be clear and unambiguous, but not so constrained or detailed as to impair operational flexibility or the common sense of those in positions of responsibility. Laws must not be written in response to the strengths and weaknesses of individuals who now serve. Instead, they should establish sound, fundamental relationships among and between civilian and military authorities, relationships that reflect the proper balance between our traditions and heritage and the practical considerations unique to military matters.

#### *Special Relationships Between the President and Certain Subordinates*

I noted earlier that President Eisenhower brought to his Presidency a unique perspective and unprecedented military experience. Few Presidents have come into this office as well prepared as he to assume the responsibilities of Commander in Chief. This fact places a heavy burden on our defense establishment and requires the continued development of key institutions and relationships that constitute the framework of our current organization.

It has been my experience that within this framework there is a special relationship between the President, the Secretary of Defense, and the Combatant Commanders. In providing for the timely and effective use of the armed forces in support of our foreign policy, our entire defense establishment is focused on supporting this special relationship and making it as effective as possible. All other aspects of our defense organization must be subordinate to this

purpose.

*The Secretary of Defense.* In particular, the law places broad authority and heavy responsibilities on the Secretary of Defense. The Secretary, in his responsibility as head of the defense establishment and in executing the directives of the Commander in Chief, embodies the concept of civilian control. No one but the President of the United States and the Secretary of Defense is empowered with command authority over the armed forces. In managing the Department of Defense the Secretary must retain the authority and flexibility necessary to fulfill these broad responsibilities.

Thus, where the Congress seeks statutory changes that would affect the Secretary of Defense, I will apply the following criteria:

—I will support efforts to strengthen the authority of the Secretary of Defense if there are areas in the law where his current authority is not sufficiently clear.

—The Secretary's authority should be delegated as he sees fit, and such delegation should never be mandated in the law apart from his concurrence and approval.

—The strengthening of other offices or components of the defense establishment should never be, nor appear to be, at the expense of the authority of the Secretary of Defense.

*The Combatant Commanders.* The Unified and Specified Commanders are the individuals in whom the American people and our defense establishment place war-fighting responsibilities. The Secretary and I consult the Combatant Commanders for their joint and operational points of view in determining how our military forces should be used and in determining our military requirements for important geographic and functional areas. Their successes in any future conflict would depend in large measure on how well we plan for their needs in today's defense budgets.

With this in mind, the Secretary initiated regular meetings with the Combatant Commanders and has provided them greater access to the Department's internal budget process. In addition, I am implementing the recommendations of the Packard Commission to improve the channel of communications between the President, the Secretary, and the Combatant Commanders; to pro-

vide broader authority to those Commanders to structure their subordinate commands; to provide options in the organizational structure of Combatant Commands for the shortest possible chains of command consistent with proper supervision and support; and to provide for flexibility where issues or situations overlap the current geographical boundaries of the Combatant Commands.

These changes reflect an evolutionary and positive trend toward strengthening the role of the operational commanders within the defense establishment. While I hope and expect this trend will continue, it is not necessary that these efforts be mandated in the law. If the Congress wishes to elaborate on the current law, there are several important issues that should be considered:

—In organizing our forces to maximize their combat potential under a variety of circumstances, the President and Secretary of Defense must retain the authority for establishing Combatant Commands; for prescribing their force structure; and for oversight of the assignment of forces by the Military Departments. To be effective, this authority requires broad latitude and flexibility and calls for a minimum amount of statutory constraint. Restrictions in the law that prohibit the establishment of certain command arrangements should be repealed. My authority as Commander in Chief is sufficient to deal with any necessary command arrangements or adjustments in the assignment of forces that unforeseen circumstances could require.

—In moving to strengthen the role of the Combatant Commanders we must establish an appropriate balance between enhancing their influence in resource allocation and maintaining their focus on joint training and operational planning. The Combatant Commanders must have sufficient authority and influence to accomplish their mission, within the constraints necessarily established by the Secretary, without being burdened with administrative responsibilities that detract from their primary role as operational commanders.

—Finally, we must not legislate departmental procedures. The changes I have ini-



tiated concerning the defense planning and budgeting process provide for the further development of the role of the Combatant Commanders. It is neither necessary nor appropriate for the Department's internal resource allocation process to be defined in law. The establishment and evolution of such procedures must remain the prerogative of the Secretary of Defense.

*The Chairman of the Joint Chiefs of Staff.* In the relationship between the President, the Secretary of Defense, and the Combatant Commanders, there is a special role for the Chairman of the Joint Chiefs of Staff. The Chairman ranks above all other officers and devotes all of his time to joint issues. I deal with him or his representative on a regular basis and he serves as the primary contact for the Secretary and me on operational military matters. As a matter of practice, the Chairman also functions within the chain of command by transmitting to the Combatant Commanders those orders I give to the Secretary. Under the directive I recently signed to implement the recommendations of the Packard Commission, this practice will be broadened and strengthened.

In this regard, I have concluded that the Chairman's unique position and responsibilities are important enough to be set apart and established in law, and that he should be supported by a military staff responsive to his own needs and those of the President and the Secretary of Defense. In reaching this judgment I have carefully weighed the view that concentration of additional responsibility in the Chairman could limit the range of advice provided to me and the Secretary, or somehow undermine the concept of civilian control. While this concern is understandable, it does not apply to the structural changes I would endorse. Since the Chairman and the Joint Chiefs of Staff will continue to function together as military advisors and the Secretary's military staff, and the Chairman will continue to report directly to the President and the Secretary of Defense, none of the new responsibilities of the Chairman that I propose would diminish the authority or control of the Secretary of Defense. Accordingly, I support legislation that will accomplish the following objectives:

—Designate the Chairman of the Joint Chiefs of Staff as the principal uniformed military advisor to the President, the National Security Council, and the Secretary of Defense;

—Place the Organization of the Joint Chiefs of Staff and the Joint Staff under the exclusive direction of the Chairman, to perform such duties as he prescribes to support the Joint Chiefs of Staff and respond to the President and the Secretary of Defense; and

—Create the new position of Vice Chairman of the Joint Chiefs of Staff and make the Vice Chairman a member of the Joint Chiefs of Staff.

While recognizing and providing for the special role of the Chairman in the law, the basic structure of the Joint Chiefs of Staff should be retained. The advantages and disadvantages of the current system, in which the Chiefs of the Services provide advice concerning both their military Service and joint issues, have been debated for many years and are well known. I believe that certain disadvantages will be remedied by a stronger Chairman without sacrificing the advantages of the current system. I find that the Chiefs of the Services are highly knowledgeable regarding particular military capabilities. And, just as important, joint military perspectives on both resource allocation and operations, developed under the Chairman's leadership, must be upheld and supported at the highest levels of the Military Departments.

For these reasons, as we take the appropriate steps to strengthen the role of the Chairman, the law must ensure that:

—The Service Chiefs remain members of the Joint Chiefs of Staff; and that, in addition to the views of the Chairman, the President is also provided with the views of other members of the Joint Chiefs of Staff.

—In addition, in creating the new position of Vice Chairman, the law must provide flexibility for the President and Secretary of Defense to determine who shall serve as Acting Chairman in the Chairman's absence.

In our efforts to strengthen the ability of the Chairman and the Joint Chiefs of Staff to be responsive to the civilian leadership, we must also make certain that the military

establishment does not become embroiled in political matters. The role of the Chairman and other members of the Joint Chiefs of Staff is strictly advisory in nature and, with the armed forces as a whole, they serve the American people with great fidelity and dedication. In my view, changes in the tenure of the Chairman or other senior officers that are tied to the civilian electoral process would endanger this heritage. I oppose any bill whose provisions would have the effect of politicizing the military establishment.

#### *Acquisition Reform*

The Packard Commission has pointed out what we all know to be true: that our historic ups and downs in defense spending have cost us dearly over the long term. For many years there has been chronic instability in both top-line funding and individual programs. This has eliminated key economies of scale, stretched out programs, and discouraged defense contractors from making long-term investments required to improve productivity. To end this costly cycle we must find ways to provide the stability that will allow the genius of American ingenuity and productivity to flourish.

We also know that Federal law governing procurement has become overwhelmingly complex. Each new statute adopted by the Congress has spawned more administrative regulation. As laws and regulations have proliferated, defense acquisition has become ever more bureaucratic and encumbered by overstuffed and unproductive layers of management. We must both add and subtract from the body of law that governs Federal procurement, cutting through red tape and replacing it with sound business practices, innovation, and plain common sense.

The procurement reforms I have begun within the Executive branch cannot reach their full potential without the support of the Congress. We must work together in this critical period, where so many agree that our approach to defense procurement in both the Executive and Legislative branches is in need of repair. However, in moving forward to implement needed reforms, I urge the Congress to show restraint in the use of more legislation as a solution

to our current problems.

The Commission identified the need for a full-time defense acquisition executive with a solid industrial background. This executive would set overall policy for procurement and research and development, supervise the performance of the entire acquisition system, and establish policy for the oversight of defense contractors. I concur with this recommendation.

—The Congress should create by statute the new Level II position of Under Secretary of Defense for Acquisition through the authorization of an additional Level II appointment in the Office of the Secretary of Defense.

Beyond this initiative, however, further change to the acquisition organization of the Department of Defense should be left to the Executive branch. The procurement reforms I have recently set in motion are fundamental and far-reaching and should be allowed to proceed without the burden of further piecemeal changes. I call on the Congress to demonstrate restraint in two particular areas:

—First, with the exception of changes to procurement or anti-fraud laws I have already endorsed, we should refrain from further action to add new procurement laws to our statutes pending the complete review of all Federal statutes governing procurement that I have recently directed. The vast body of procurement law that now exists must be simplified, consolidated, and made responsive to our national security needs.

—And second, we should take no further action to add new laws that would restrict the authority of the Secretary of Defense to hire and retain the high quality of personnel needed to administer the Department of Defense's acquisition program.

If citizens from the private sector who participate in the conduct of government are unfairly prohibited from returning to their livelihood, it will not be just their willingness to serve that will suffer. The Nation will suffer as well. I will later report to the Congress on steps I am taking or that I propose the Congress take in these areas. And I will also review and report on the accountability of the defense industry to the

Department of Defense, and to the American people. This review will address the ethics of the industry, the Department of Defense's oversight responsibility, and the role of the Department's Inspector General. I urge the Congress not to act in these important areas until it has had an opportunity to review my report.

While the Department of Defense and Executive branch are focused on implementing the details of these reforms, I urge the Congress to focus its attention on the structural and procedural reforms that are also essential for the stability we seek.

Two-year defense budgets are an essential step toward stability. I urge the Congress to develop internal procedures for the authorization and appropriation of defense budgets on a biennial basis, beginning with the FY 1988 budget. My FY 1988 defense budget will be structured with this in mind.

The Congress should encourage the use of multiyear procurement where appropriate on a significantly broader scale. Multiyear procurement is a strong force for stability and efficiency. We have already saved billions of dollars through multiyear procurement and have never broken a contract or suffered a single loss to date. We want to continue and expand our efforts in this important area.

Milestone funding of research and development programs is also a form of multiyear contracting. I will work with the Congress to select appropriate programs to be base-lined in cost over a multiyear period so that these programs can be funded in an orderly and stable fashion. If we know what we want to accomplish, we can set a proper ceiling on costs and manage our program within those costs. I urge the Congress to support milestone funding and the base-lining concept of placing a ceiling on research and development costs.

Finally, there are some forty different committees or subcommittees that claim jurisdiction over some aspect of the defense program. This fragmented oversight process is a source of confusion, and it impedes the cooperation between the Congress and the Executive branch so necessary to effective defense management. I urge the Congress to return to a more orderly process involv-

ing only a few key committees to oversee the defense program. Only with such reform can we achieve the full benefits of those changes now underway within the Department of Defense.

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Working together, we have accomplished a great deal over the past five years. Yet there is more to be done. This effort represents a new beginning for our defense establishment. When these reforms have been achieved we will have:

- developed a rational process for the Congress and the President to reach enduring agreement on national military strategy, the forces to carry it out, and the stable levels of funding that should be provided for defense;

- strengthened the ability of the military establishment to provide timely and integrated military advice to civilian leadership;

- improved the efficiency of the defense procurement system and made it more responsive to future threats and technological needs; and

- reestablished the bipartisan consensus for a strong national defense.

The Packard Commission has charted a three-part course for improving our Nation's defense establishment. I have already directed implementation of its recommendations where that can be accomplished through Executive action. In this message, I ask that the Congress enact certain changes in law that will further improve the organization and operation of the Department of Defense. Now, the remaining requirement for reform lies within the Congress itself.

I began this message by emphasizing the important role of Congress in our defense establishment. In the organizational changes we now address, the Congress should be commended for fulfilling its broad responsibility to make laws to organize and govern the armed forces. However, with respect to the changes we must consider in the areas of budget, resource allocation, and procurement, the future is much less certain. To establish the stability essential for the successful and efficient management of our defense program, the Congress must be more firmly committed

to its constitutional obligations to raise and support the armed forces.

Within the limits of my authority as President, I will continue to improve and refine the national security apparatus within the Executive branch. And I will support any further changes in procedures, regulations, or statutes that would improve the long-term stability, effectiveness, and efficiency of our defense effort.

In having fully committed ourselves to implementing the Packard Commission's recommendations, this Administration has overcome the difficult bureaucratic terrain that has stood in the path of previous efforts. Now, we face a broad ocean of necessary congressional reforms in which the cur-

rents of politics and jurisdiction are equally treacherous. We must not stop at the water's edge.

Only meaningful congressional reform can complete our efforts to strengthen the defense establishment and develop a rational and stable budget process—a process that provides effectively and efficiently for America's security over the long haul.

With a spirit of cooperation and bipartisanship, confident that we can rise to this occasion, I stand ready to work with the Congress and meet the challenge ahead.

RONALD REAGAN

The White House,  
April 24, 1986.

## Proclamation 5469—National Reading Is Fun Week, 1986

*April 24, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

The pleasure that comes from reading is usually the magnet that draws people to practice and improve their reading skills. And the wide distribution of these skills not only enriches those who possess them but is a pillar of strength for a self-governing Nation. Yet many of America's 66 million people under the age of 18 need encouragement and direction to improve their reading skills to the point where they can become functionally literate and properly informed adults. Illiteracy and limited literacy cause much pain, frustration, and humiliation. And because their victims cannot reach their full productive potential, the economy is billions of dollars the poorer.

Traditionally, Americans have recognized problems in society and worked at applying practical solutions. Over the past two decades, dedicated volunteer efforts have enabled millions of children to discover the joy of reading. Through a variety of imaginative programs, thousands of children have been given the motivation and the practical help they need to unlock the treasure house of the printed page. Doors have been

opened to richer lives. Currently, more than 100,000 volunteers are giving of their time and talents to open these doors of opportunity to young people who long to experience the joy of reading. But there is a need for still more volunteers who wish to help others and experience the deep satisfaction of knowing they have transformed the lives of others and set them on the path to discovery, understanding, and delight. Yes, for those who can read, reading is fun.

The Congress, by Senate Joint Resolution 286, has designated April 20 through April 26, 1986, as "National Reading is Fun Week" and has authorized and requested the President to issue a proclamation in observance of this week.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim April 20 through April 26, 1986, as National Reading is Fun Week. I invite the Governors of every State, local officials, and all Americans to observe this week by supporting programs that help young people to acquire the skill of reading that leads to the joy of reading.*

*In Witness Whereof, I have hereunto set my hand this twenty-fourth day of April, in the year of our Lord nineteen hundred and*

eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:30 a.m., April 25, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on April 25.*

## Remarks on Departure for Indonesia and Japan *April 25, 1986*

Good morning. Today we depart Washington en route to the Far East. As I'm sure you know, it's a journey we are very excited about. We have looked forward to this trip for a long time. We will travel first to Indonesia for talks with President Soeharto and also meet with the Foreign Ministers of the Association of South East Asian Nations. From Indonesia, we will leave for Tokyo and the 12th annual economic summit of the free industrialized nations of Asia, Europe, and North America.

America's partnership with the nations of Asia grows stronger every year. In the days ahead we will once again work together to reaffirm and renew our economic, strategic, and political ties. It will also be good to reaffirm and renew our personal ties.

As for the Tokyo summit, our agenda is full. There will be long and rather detailed economic meetings, and we will also discuss other areas of political and strategic concern. It will be good to see the summit

members and to renew our friendship. This summit comes at an interesting time. There is no denying that the winds of freedom are blowing, east and west. They are brisk and bracing winds, sweeping out the old and, I believe, ushering in a new era of freedom, an era in which democracy is once again recognized as the new idea. So, this is an exciting time, and I expect the Tokyo summit to reflect the dynamism of the day.

Nancy, who I'll be joining in Los Angeles later today, is going into a very heavy schedule on this trip. In Thailand and Malaysia she'll be working very hard on events and issues that are related to her work against drug abuse. So, it looks like we'll both have a lot to report when we return. And for now, *sayonara*. You see, I've been practicing.

Thank you. God bless you all. All right, goodbye.

*Note: The President spoke at 9:30 a.m. at Andrews Air Force Base, MD.*

## Message to the Congress Transmitting Proposed Legislation on United States Assistance for the Philippines *April 25, 1986*

*To the Congress of the United States:*

I hereby transmit for the consideration of the Congress proposed legislation, entitled "Philippines Assistance Act of 1986," which authorizes supplemental economic and military assistance for the Philippines.

The bill authorizes a total of \$150 million in supplemental assistance for the Philippines, of which \$100 million is to be used

for Economic Support Fund activities and \$50 million is to be used for the Military Assistance Program. A supplemental appropriation request for fiscal year 1986 is concurrently being transmitted to the Congress.

Through the inauguration of President Aquino, the Philippines has been offered an historic opportunity to effect significant

structural and institutional reforms that will bring the benefits of peace and prosperity to all of its citizens. The special relationship that the people of the United States share with the people of the Philippines strongly warrants our renewed commitment in sup-

port of these efforts. I urge the Congress to act without delay on this legislation.

RONALD REAGAN

The White House,  
April 25, 1986.

## Message to the Congress Reporting Budget Rescissions *April 25, 1986*

*To the Congress of the United States:*

In accordance with the Impoundment Control Act of 1974, I herewith report three rescission proposals totaling \$114,500,000 affecting programs in the Department of Defense—Military.

The details of these rescission proposals are contained in the attached report.

RONALD REAGAN

The White House,  
April 25, 1986.

*Note: The attachment detailing the proposed rescissions was printed in the "Federal Register" of May 1.*

## Radio Address to the Nation on the President's Trip to Indonesia and Japan *April 26, 1986*

*My fellow Americans:*

Today Nancy and I are heading west across the wide Pacific on one of the longest overseas journeys of my Presidency. The first leg of the trip will take me to Indonesia, where I'll be meeting with the leader of that country, President Soeharto, a long-time friend of the United States.

President Soeharto and I first met when I traveled to his country in December of 1973. At the time I was Governor of California. Later, in 1982, President Soeharto paid us the honor of a state visit to the White House. President Soeharto has been a most responsible influence in world affairs and a force for the economic progress of his people at home. He and his government have guided Indonesia to self-sufficiency in rice production and to a respected level of financial creditworthiness. Indonesia is a richly diverse nation with over 160 million people on islands stretching over 3,000 miles. The people there have made signifi-

cant economic strides over the last decade. I'm grateful to have this opportunity to meet and discuss with President Soeharto the many areas of mutual concern to the United States and Indonesia.

While in Indonesia, I will also be meeting with the six foreign ministers of ASEAN, the Association of South East Asian Nations. President Soeharto has played a personal role in the success of this effective and admirable organization. ASEAN is composed of six nations—Indonesia, Malaysia, Singapore, the Philippines, Thailand, and Brunei—which in so many ways symbolize the dynamic change taking place in the Pacific Basin. Collectively, ASEAN nations are our country's fifth largest trading partner. In 1985 our trade with them reached \$23½ billion. We share democratic values and an energetic pursuit of commerce. We share a commitment to free markets, free trade, and free people.

The ASEAN nations are not only our trading partners but also our good and trusted friends. During my trip, I'll be emphasizing to our ASEAN friends and to the others with whom I'll meet that the United States is a Pacific power. We expect to continue playing a constructive role in shaping the future of this vibrant and vital part of the world. My discussions with the foreign ministers of ASEAN will cover a wide range of economic and security issues. One item on the agenda is Cambodia. ASEAN has demonstrated exemplary responsibility and leadership concerning the Vietnamese invasion and continuing occupation of this country. America, along with our ASEAN friends, believes that Vietnam should withdraw its forces from Cambodia and permit the Cambodian people to determine their own destiny. Vietnam has spurned any and all reasonable ASEAN requests for a negotiated settlement of the problem. The United States has made it clear that it's ready to participate constructively in an overall settlement. The Communist government of Vietnam, however, to the detriment of their own national interest, remains intransigent. What we and our ASEAN friends are seeking is a stable, free, and prosperous Pacific Basin. We want to build an environment in which people can work, produce, and trade together, enriching everyone's life in the process.

One of the initiatives associated with our trip concerns a threat to the well-being of every nation, an evil undermining the family and tearing at the fabric of this society. I am, of course, talking about the

scourge of drug abuse. Nancy has made the fight against drug abuse her own. She'll be traveling with me to Indonesia, but from there, while I move on to the Tokyo Economic Summit, Nancy will go to Malaysia and Thailand, where she will meet with people involved in drug abuse prevention and rehabilitation programs. These countries share our commitment to end the pain and suffering inflicted by drug addiction. I'm very proud of the work that Nancy's doing to this end. All caring people in every country should unite to fight this menace.

While Nancy is in Malaysia and Thailand, I will meet in Tokyo with the leaders of seven industrialized democratic nations. There is a variety of subjects, areas of mutual interest and concern to discuss. Our catch words will be "freedom" and "cooperation." Today the prospects for the Western World are brighter than in many years. As I fly across the expanses of the Pacific in Air Force One, I go knowing that the winds of freedom are blowing. Totalitarian nations, with their centralized planning and bureaucratic controls, are going nowhere. The free world, as is especially evident on the Pacific rim, is moving at an accelerated pace into a new era of opportunity and progress. These are exciting times to be alive, to be free, and to be an American.

Until next week when I'll be speaking to you from Tokyo, thanks for listening, and God bless you.

*Note: The President's remarks were recorded on April 25 in Los Angeles, CA, for broadcast at 12:06 p.m. on April 26.*

## Remarks on Arrival in Honolulu, Hawaii

*April 26, 1986*

Governor Ariyoshi, Senator Matsunaga, Admiral and Mrs. Hays, Colonel and Mrs. Clark, Command Sergeant Major McDonald and Mrs. McDonald, soldiers, sailors, marines, and airmen, ladies and gentlemen, and, yes, all the children that are here today: Nancy and I are honored that you've come out to greet us and absolutely delight-

ed to be able to visit once again the magnificent State of Hawaii. The sun, the palm trees, the ocean all around—I'm just sorry there wasn't room on Air Force One for a surfboard. *[Laughter]* But Nancy and I are especially pleased to see so many young people from the Hawaiian Just Say No Program. Across America this program is teach-

ing thousands of our children how to say no to drug abuse. And to all you Just Say No kids, and to all you teachers, moms, and dads who are doing so much to make the program a success, we want to extend our heartfelt congratulations. How about all of us joining in and giving these wonderful young people a hand? *[Applause]*

As you of the Pacific Command know, our journey—first to Indonesia to meet President Soeharto and the foreign ministers of the Association of South East Asian Nations, then to the Tokyo summit—will prove to be of immense importance to our nation and the vast Pacific world that makes up your field of operations. The foreign ministers that we'll meet in Bali represent nations that have each in large part embraced human liberty, both political and economic. In our talks with these ministers, we'll reaffirm America's commitment to a Pacific community of nations marked by prosperity and peace.

And then after our stay in Indonesia, Nancy will travel on her own to Malaysia and Thailand, where she will meet leaders working to combat drug abuse. I have a feeling she will want to tell them about the Just Say No kids that are here today. And the rest of us will fly directly to Tokyo, where we'll participate in the 12th annual summit meeting of leaders from the industrialized democracies of Asia, Europe, and North America. And again, we'll stress our commitment to peace and to the prosperity that can only be achieved in freedom. As the site for this meeting, Tokyo itself will make a powerful statement about the growing role of Pacific nations upon the world stage.

But while we have this moment together here in Hawaii, permit me to say a few words about you, the men and women of the Pacific Command. As your Commander in Chief, I know that you're charged with one of the most difficult missions in all our Armed Forces—the defense of our nation and world peace across more than 100 million square miles, about 50 percent of the Earth's surface. This demands sacrifice. Indeed, many of you are thousands of miles from your own homes. And beautiful as the Pacific world is, I know there are men and women among you who miss the streets of

Brooklyn, the fields of Iowa, or the mountains of Colorado. Many of you left your families behind on the mainland. Even those of you fortunate enough to have your families with you here in Hawaii must wish that you could give them more time. Yet you are willing to make these sacrifices, willing because you know that in the name of freedom itself, America and her people must be defended. And today I bring you the thanks you deserve, the thanks of a grateful nation.

Today America is standing tall. We're rebuilding our defenses, setting in place innovative weapons programs and giving you the pay and equipment that you need. We're reminding the globe that America still stands for liberty. Indeed, since 1980 not 1 inch of territory has fallen to communism, and Grenada has been set free. And, yes, we're showing the world's dictators and terrorists that when they perpetrate their cowardly acts upon citizens of the United States, they had best be prepared for the consequences.

The world today is a dangerous place; even in some regions, a savage place. The noble profession of arms, the profession so vital to the maintenance of justice and peace, has never been more demanding. And I want you to know that, since becoming President, nothing has moved me more deeply or given me more hope for America's future than seeing the way in which you, our men and women in uniform, perform your often difficult duties. Ladies and gentlemen of the Pacific Command, you do your nation proud.

Well, I know it's time for us to go now, but before we do, I'd like to recognize the units of the Pacific Command here today. And if you want to cheer for yourselves, you go right ahead—you deserve it. Thanks to the soldiers of the 25th Infantry Division and the rest of the U.S. Army and the Pacific Command. *[Applause]* To the sailors of our Pacific Fleet. *[Applause]* To the Fleet Marine Force. *[Applause]* To the flyers of the Pacific Air Forces. *[Applause]* To the Coast Guard. *[Applause]* And, of course, to the Hawaii National Guard and Reserves. *[Applause]*

Thank you again, and *aloha*, and God



bless you all.

*Note: The President spoke at 12:50 p.m. at Hickam Air Force Base, where he was greeted upon arrival by Gov. George Ariyoshi and Mrs. Ariyoshi. In his opening remarks,*

*the President also referred to Adm. Ronald J. Hays, USN, Commander in Chief, U.S. Pacific Command; Col. Wayne F. Clark, Commander, 15th Air Base Wing; and Command Sgt. Maj. Teddy Paul McDonald, of the U.S. Army Support Command.*

## Written Responses to Questions Submitted by Southeast Asian Newspapers April 24, 1986

### *Democracy in Asian Countries*

*Q.* What do you think will be the impact of the Aquino revolution in the Philippines on the other countries in Asia? Do you think it will have a democratizing effect on the other Asian countries? If so, are you going to seize the opportunity to speed up the process of democracy in some of these countries?

*The President.* The U.S. has a fundamental commitment to the preservation of a stable environment conducive to continuing economic, political, and social progress in east Asia. We support the evolution of political processes that bolster popular participation and representative government, but we believe that Asian nations are the masters of their own fate. They must work out solutions to problems on their own according to their own particular, and often unique, circumstances. That is what happened in the Philippines.

### *Indonesia*

*Q.* With the collapse of oil prices, Indonesia is facing a difficult economic situation. Exports to the United States, its second largest trade partner, are expected to decline this year, so will U.S. direct investment, especially in the oil sector. The Gramm-Rudman-Hollings act will further cut U.S. aid and concessional loans. Meanwhile, Indonesia's effort to increase its non-oil exports to the United States have met with increasing protectionist measures. Are you not worried that increasing economic difficulties might stir the revival of radical nationalism within Indonesia?

*The President.* United States trade with

Indonesia last year amounted to \$5.7 billion. As Indonesia's second largest trading partner, the U.S. accounts for 20 percent of its total exports. Indonesia enjoyed a trade surplus with the United States of over \$4 billion last year. Petroleum products dominate our bilateral trade, with the U.S. importing \$3 billion worth. Because of the high profile of oil exports in the trade between our two countries, the drop in oil prices will likely have a large impact over the short term on our bilateral trade. Indonesia's non-oil exports to the U.S. include rubber, coffee, plywood, textiles, and other products. Textiles represent Indonesia's largest and most rapidly growing manufactured export. The Government of Indonesia has compiled an admirable record of managing well unforeseen economic challenges over the past several years. Economic growth has been high. Indonesia has become self-sufficient in rice production. Despite the current difficulties, I am confident that Indonesian policymakers will handle the present economic challenge as well as they have handled past ones. We believe that the medium and longer term outlook for the Indonesian economy remains very favorable.

*Q.* Considering its present economic problems, what do you think of Indonesia's intention to buy U.S. F-16 planes?

*The President.* Indonesia has requested a small number of F-16 aircraft in order to remain current with present technology in the field of air defense, a basic requirement for a country with a territory as large as Indonesia's. Indonesian military leaders have said they want their pilots to acquire the technological skills needed for an effec-

tive air force through the end of the century. Singapore and Thailand are also acquiring the F-16. While there will be a financial burden associated with acquiring these few advanced aircraft, the Government of Indonesia has stated that the cost is necessary for its basic defense requirements and to maintain skills associated with a modern air force.

#### *U.S. Aid to the Philippines*

*Q.* Is the United States considering a Caribbean Basin Initiative-type policy to foster economic and trade development in the ASEAN-South Pacific region? Specifically, are you going to promote a multilateral or bilateral development aid package for the Philippines?

*The President.* Generally speaking, the nations of ASEAN are blessed with more prosperous and broadly based economies than those in the Caribbean Basin. The Caribbean Basin Initiative, or CBI, was intended to address the specific and severe economic problems which affect that region, including inadequate flows of private investment capital and the vulnerability that comes with reliance on the export of a single commodity. In contrast, the ASEAN countries, taken together, already constitute our fifth largest trading partner. And U.S. investors have a stake in the region exceeding \$10 billion. We are trying to support the economic development of this region by working with the ASEAN governments to maintain a free and fair international trading system for the benefit of all trading nations. The cornerstone of this work is our effort to begin a new round of multilateral trade negotiations in the General Agreement on Tariffs and Trade (GATT). We are also continuing our efforts to discourage the enactment of protectionist legislation by our own Congress and to persuade the Japanese and other nations to open their markets to our goods and those of other exporting countries.

Resolving the severe economic problems of the Philippines will require a sustained effort by the Philippine Government and people, supported by the international financial community, both public and private. We note that in recent weeks the financial community's confidence in the Phil-

ippine economy has increased, and we share that increased confidence. We have been discussing Philippine assistance needs and priorities with President Aquino's government and with major bilateral and multilateral donors. Based on these discussions, we are proposing a significant assistance program for the Philippines which would help to meet the country's immediate financial needs, support economic reforms, encourage private investment, and respond to the urgent requirements of the Philippine Armed Forces. However, we agree with President Aquino's advisers that a multilateral framework is necessary to support Philippine economic recovery. In this connection, we have agreed to participate in a World Bank-sponsored meeting which will help to coordinate donor efforts for the Philippines and will focus on Philippine economic problems and prospects for recovery.

#### *International Monetary and Trade Issues*

*Q.* Would you promote a worldwide return to the gold standard in order to redress international trade and financial imbalances? What are your personal thoughts on the gold standard?

*The President.* Some observers have advocated a return to the gold standard in order to bring "discipline" to nations monetary policies and, thereby stability to exchange rates. Prior to the adoption of the Bretton Woods regime after World War II, the major nations of the world were intermittently on the gold standard. The discipline required by adherence to the gold standard resulted in alternating and unpredictable periods of severe inflation and deflation. It was to avoid such episodes that most countries abandoned the gold standard in just those times when it would have disciplined their policies. Within the International Monetary Fund, we are working on ways to improve the functioning of the international financial system. Also, I have asked Secretary of the Treasury James A. Baker III to report back to me on whether the nations of the world would convene to discuss the role and relationships of our currencies.

*Q.* When [Prime Minister of Singapore] Lee Kuan Yew was here last October, one

of the issues he discussed with you was the setting up of an ASEAN-U.S. free trade arrangement—an idea, incidentally, that was first broached by former United States Trade Representative William Brock. What is your own view of the proposal, and has there been any forward movement on this since Mr. Lee was here?

*The President.* Preparations for the launching of a new round of trade negotiations in the GATT have been the focus of our efforts since last November and will continue to be one of our primary concerns on our trade agenda for some time to come. We are also engaged in discussions with Canada on the possibility of a free trade area. However, my administration is committed to a continuing dialog with the ASEAN countries on economic and trade issues and to strengthening trade with ASEAN.

*Q.* There is some grumbling in the ASEAN States that, although you and your administration often talk of how important ASEAN is, you don't always back up those words. For instance, Mr. Lee Kuan Yew recently accused the U.S. of overlooking ASEAN's economic interests, citing these examples: U.S. releases from its own tin stockpile; its threatening to withdraw tariff preferences from some countries; its insistence on renegotiating international textile agreements on terms that are tougher for ASEAN countries; and its withholding of support for an international program for maintaining rubber prices. Would you agree that the U.S. does overlook ASEAN's interests? And how would you respond to them when you meet the ASEAN foreign ministers in Bali?

*The President.* In fact, support for and cooperation with ASEAN remains the foundation of U.S. policy in Southeast Asia. Our relations with the ASEAN nations are based on our common dedication to the basic principles of freedom and independence and our shared recognition of the importance of free markets. My visit to Indonesia is intended to reaffirm the importance the United States places on our cooperation with ASEAN. I believe this is particularly important at a time when the ASEAN economies, and particularly that of Singapore, are experiencing slower growth or

even contraction.

On balance, my efforts over the past few years to maintain a free and open international trading system have served the interests of both the United States and ASEAN well, despite the pressure of different and competing interests. The ASEAN countries, together, have become our fifth largest trading partner, and one with which we experienced a total trade deficit of over \$7.7 billion last year, up from \$2.3 billion in 1982. My administration remains committed to resist protectionist trade measures and to pursue efforts to liberalize further the international trading system, to benefit all trading nations. Our efforts in this regard are concentrated at the moment on the need to begin a new round of multilateral trade negotiations in the GATT. We have assured the ASEAN governments that we believe the new GATT round should address their key issues, as well as the new issues we have raised in Geneva, such as trade in services.

We have gone to some lengths to ensure that the release of tin from our strategic stockpile was managed so as to avoid disruption to the world tin market. In fact, the U.S. General Services Administration suspended its release of tin last October at the onset of the latest tin market crisis, to avoid exacerbating the situation. The tin producers in ASEAN appear generally satisfied with the way in which we have managed tin disposals during the collapse of the international tin market.

With respect to tariff preferences, the executive branch is obliged to carry out the legal provisions of our Generalized System of Preferences as enacted in the 1984 Trade Act. This will require that Brunei, which has not utilized the GSP, be graduated from the program by 1988 because its per capita GNP is well above the \$8,500 limit contained in the statute. We recognize that there is concern on the part of Singapore that it may also face graduation on this basis before the authority for the GSP system expires in 1993. This mandatory provision was opposed by the executive branch but was in the end included in extension of the GSP program.

Many in the Congress believe that the

multifiber arrangement (MFA) has failed to give our domestic industry sufficient relief. Quota bills have been introduced which would violate existing agreements. In the face of this situation, our policy has been to seek to ensure that it is the small producers and poor countries that benefit, relatively, within the parameters of our textile program.

#### *Malaysia-U.S. Trade*

*Q.* It is often the lament of Malaysia that the U.S. does not take into consideration Malaysian interests when it comes to drawing up quotas and tariffs on commodities and manufactured goods. Is Malaysia being unrealistic or unreasonable in its expectations?

*The President.* U.S. trade policy over the past few years has been generally favorable toward Malaysia's interests. Malaysia's exports to the United States did drop in 1985 by about \$426 million, although we still experienced a deficit in our merchandise trade with Malaysia of more than \$934 million—in itself an increase of some 277 percent since 1982. Much of last year's fall in Malaysia's U.S.-bound exports was attributable to cyclical problems in our consumer electronics industry, for which Malaysian factories have become major suppliers of integrated circuits and semiconductors. The expansion of Malaysia's trade in such advanced manufactured goods was fostered, in no small part, by the tariff preferences available under our Generalized System of Preferences (GSP), as I mentioned earlier.

We should explore areas where U.S.-Malaysian ties can be strengthened. Our two sides have been negotiating a bilateral investment treaty, which still remains to be concluded. Investment links between companies of our two countries would serve our trade interests well. On a more general level, the U.S. remains committed to starting a new round of trade negotiations in the GATT this year as the best means of rolling back protectionism and preserving an open but fair international trading system, which benefits both our countries. We are continuing to consult closely with Malaysia and the other ASEAN countries regarding the new round and have reassured the Government of Malaysia that we believe the negotiations

should address the key concerns of all the contracting parties. We are not seeking to limit the agenda to those areas, like trade in services and intellectual property rights, which are of particular interest to us.

#### *China-U.S. Relations*

*Q.* Given the Soviet military buildup in the Pacific and the U.S. decision to help China modernize its armed forces, the chances seem great for Southeast Asia to become a theater for greater superpower rivalry. Under these circumstances, how do you think ASEAN can act as a stabilizing influence in the region?

*The President.* The long-term, global Soviet military buildup, especially in the Pacific, is continuing unabated. It is of concern for all of us, including our friends and allies in Southeast Asia. The unilateral Soviet buildup is not a response to U.S. actions, but is designed to project Soviet power and influence throughout the region. However, U.S. Forces remain committed to promoting regional security by deterring Soviet expansionism. Our intention is to provide China with the capability to defend itself more effectively against the common threat to the region. The U.S.-P.R.C. military relationship helps develop and maintain China as a force for peace and stability in the region and the world, while not posing a threat to other U.S. friends and allies in the region. ASEAN provides a stabilizing role in many ways. It has taken a leadership role in opposing Vietnamese occupation of Cambodia and by establishing the principles upon which a political solution could be based. This is a goal we support. ASEAN's free market orientation and remarkable economic growth have led to the conditions of prosperity and stability, which will continue to benefit the region.

#### *U.S. Bilateral Assistance*

*Q.* The 1986 continuing resolution on foreign assistance which you signed in December 1985 includes a provision calling for the end of all U.S. assistance to any country whose duly elected government is deposed by a military coup or decree. If a coup took place in Thailand or another ASEAN country, would U.S. assistance be cut automati-

cally? If not, why not?

*The President.* We prefer not to deal in hypothetical situations. The statute makes clear the intent of Congress; that is, no bilateral assistance will be provided to countries whose duly elected head of government is overthrown by military coup or decree. We would have to interpret the law against the changing political situation in an allied or friendly country on a case-by-case basis as the situation dictated. I do want to stress, however, the United States' firm support for democracy and constitutional processes.

#### *Thailand-U.S. Trade*

*Q.* Thailand has expressed disappointment over the rice provision of the U.S. farm act, which is adversely affecting a vital sector of our economy and has caused a feeling here that the U.S. is not a reliable friend. What assurances can you give that our economy, and consequently our national security, will not be similarly affected by future U.S. trade laws?

*The President.* Thailand remains our close friend and ally. We are deeply committed to the continuing health and vitality of the Thai economy, just as we are committed to Thai national security. The Food Security Act of 1985 was designed to assist American farmers, some of whom are experiencing the worst farm crisis in 50 years. There are aspects of the legislation which my administration disagrees; but overall, the act should assist American farmers. The rice provisions were designed to make U.S. rice more competitive in overseas markets, but we do not intend to disrupt those markets by engaging in predatory pricing policies. In administering this new law, we will be sensitive to the concerns of Thailand and other rice exporters. My administration will continue to work to ensure that future U.S. trade laws promote our mutual interests in free and fair trade. Protectionism will benefit neither of us. The maintenance of an open international trading system is the responsibility of both our countries, as well as of the rest of the world.

#### *U.S. Air Strike Against Libya*

*Q.* In your view, will the bombing of Libya's targets damage United States' rela-

tions with ASEAN, particularly with those countries which have diplomatic ties with Libya or strong Arab sympathies?

*The President.* We certainly hope not. We believe the nations of ASEAN share our repugnance for terrorism, regardless of the quarter from which it comes. As we made clear at the time, action taken against Libya was specifically related to direct evidence linking Qadhafi to the Berlin disco bombing and plans for a wave of terrorist actions targeted against Americans and American installations. Our preemptive missions against terrorist-related targets was an act of self-defense, fully consistent with Article 51 of the United Nations Charter. It was designed to disrupt Libya's ability to carry out terrorist acts and to deter future terrorist acts by Libya. It was both a necessary and proportionate response to an ongoing pattern of attacks by the Government of Libya.

We have explained the reasons for our actions to the ASEAN governments. While there have been critical popular reactions in several of the ASEAN countries, we believe the governments understand the legal and moral basis of our actions. We do not anticipate that any critical reaction these governments may have will harm our relations, and we appreciate additional security protection they have provided to American diplomatic and other official facilities since April 15.

#### *U.S. Military Bases in the Philippines*

*Q.* With uncertainty over the future of American military bases in the Philippines after 1991, is the United States exploring the possibility of setting up a military base in Brunei?

*The President.* No. The issue of U.S. bases has not arisen in our dialog with the Government of Negara Brunei Darussalam. Our military bases agreement with the Philippines remains in effect until 1991, after which either side may terminate it with 1 year's notice. In other words, the agreement continues indefinitely unless one party decides to end it.

At this point, it is not possible to predict the attitude of the Philippine Government closer to 1991. However, President Aquino

has pledged to abide by the current agreement and to keep her options open. We believe we can work with the new Philippine Government to achieve resolution of any issues which arise in connection with the bases agreement. As is prudent for a world power, we regularly review our basing strategy worldwide and develop contingency plans. There are other possible locations for our facilities in the Philippines, but these locations would be much more

costly and much less effective than our installations at Subic Bay and Clark Air Base.

*Note: The questions were submitted by the Singapore Straits Times; the Malaysia New Straits Times; the Borneo Bulletin; the Bangkok Post; Business Day, of the Philippines; and Kompas, of Indonesia. The questions and answers were released by the Office of the Press Secretary on April 27.*

## Remarks on Arrival at Andersen Air Force Base, Guam *April 29, 1986*

Lieutenant Governor and Mrs. Reyes, Congressman Blaz, Archbishop Apuron, General and Mrs. Shuler, Admiral Hoffman, and ladies and gentlemen, Nancy and I are delighted to be able to join you once again in Guam, your enchanting home. By the way, if there's one inside word I can bring you from Washington, it's that your Congressman, Ben Blaz, is making quite a mark. Ben serves as president of the Republican freshman class in the Congress, and I hear again and again that he's earned wide respect as an expert on the Pacific and a man of vision and courage. Ben, congratulations.

My friends, your island represents one of the distinctive characteristics of the United States—its "Pacifinness," the way in which America looks to the west and is bound up with the waters of this huge and peaceful ocean. From the first, it's been one of the chief goals of our administration to make our nation's policy look to the west—just as surely as do our people—to strengthen, in short, our ties with the nations of the Pacific. It's therefore fitting that this journey—first to Indonesia, to meet with President Soeharto and the foreign ministers of the Association of South East Asian Nations, then to the Tokyo summit—should be punctuated by a moment of rest on Guam. It's said that it's here on Guam each morning that the Sun first casts its rays upon the Stars and Stripes. Well, my friends, I can't think of a more beautiful way for America's

day to begin.

Guam, America's flagship in the western Pacific, possesses an importance out of all proportion to its size. A vital hub of transportation, Guam lies within easy range of virtually every city in east Asia. And your practice of free enterprise is setting an important example for the entire Pacific Basin. I commend you, and your neighbors in the Northern Marianas, for the economic growth and low unemployment that you've achieved. Perhaps most important, in this crucial region of the world, Guam shines forth as a beacon of democracy. Indeed, the large number of Guamanians serving in the United States Armed Forces represents a tribute to the patriotism of this island, 9,000 miles from our Nation's Capital. My friends, distant from the mainland though you may be, you have kept the faith—the faith in freedom that unites us all and gives our nation purpose.

In the days ahead, we'll be bearing this message of freedom. The foreign ministers that I will meet with in Indonesia represent nations that have each in large part embraced human liberty, both political and economic. And in recent years, the people of these nations have produced a remarkable record of economic growth. In meeting their foreign ministers, we'll reaffirm America's commitment to free markets and free trade. And we'll reassert our belief that in liberty we can work together to bring still greater prosperity to the Pacific, prosperity

in which the people of the Asian nations and Guam, itself, should share. After our stay in Indonesia, Nancy will travel on her own to Malaysia and Thailand, where she will meet leaders working to combat drug abuse. The rest of us will fly directly to Tokyo, where we will participate in the 12th annual summit meeting of leaders from the industrialized democracies of Asia, Europe, and North America. Again, we will stress the connection, the necessary connection between freedom and economic growth; and we'll lay plans to expand world trade still further. As the site for this meeting, Tokyo itself will make a powerful statement about the expanding role of Pacific nations in the economy of the entire world.

But to return for a moment to this part of the world, to this beautiful island of Guam and your many island neighbors. Soon, four new democratic entities will join this Pacific family. One, the Commonwealth of the Northern Mariana Islands, will do so, like Guam, as part of the United States. Three others—the Republic of Marshall Islands, the Federated States of Micronesia, and the Republic of Palau—will do so as new nations in free association with the United States. The people of these nations chose their new political arrangements in liberty, voting in elections carefully monitored by United Nations observers. Congress is at present considering the Compact of Free Association of the Republic of Palau, and I am confident that the necessary implementing measures will be promptly approved. And I don't very often say that about the Congress—[laughter]—with apologies to one present. [Laughter]

And a word to you, our men and women in uniform, those of you laboring here on Guam to keep our nation free and at peace. Many of you are thousands of miles from your own homes. And beautiful as Guam is, I know you must miss familiar sights and sounds and, above all, your families and friends. Yet you're willing to make that sacrifice, willing because you understand, or understood all along, what recent events have once again made clear. In the name of freedom, in the name of decency, we have no choice but to defend American values and the American people themselves—and to do so unflinchingly. To use a phrase

made famous by the Seabees, who have toiled so long here on Guam, we respond to this challenge with two words which say it all: "Can do!" As your Commander in Chief, I extend to you men and women in uniform the thanks of a grateful nation. I have to tell you that there are many things in this job I now have which you can be proud. But none of them makes me more proud than you, the men and women in the uniform of our military—what you stand for and the way you stand for it.

Well, it's been wonderful to have this chance to talk with you, and I want you all to know how very much the warmth of your reception has meant to Nancy and me and our entire party here. And now it's time for me to go someplace and sit down while they put some more juice in the plane out there. [Laughter] But first, let me try out a fitting word of greeting in your beautiful language, Chamorro. I can't promise to get it just right, but I'll give it my best. And to all the people of Guam, *hafa adai*. Thank you all, and God bless you all.

I've got to tell a joke. I can't leave without one little joke. [Laughter] I have become a collector of jokes that I understand our friends in the Soviet Union tell among themselves, which is sort of revealing of their government and so forth. And this little story is one that I had the privilege of repeating or telling to General Secretary Gorbachev in Geneva. And he laughed. [Laughter] The story had to do with an American and a Russian who were arguing about their freedoms in the government and the American said: "Look, I can walk in the Oval Office. I can pound the President's desk, and I can say, 'Mr. President, I don't like the way you're running our country.'" And the Russian said, "I can do that." The American said, "You can?" He says, "Yes. I can go in the Kremlin. I can walk into the General Secretary's office. I can pound my fist on his desk, and I can say, 'Mr. General Secretary, I don't like the way President Reagan's running his country.'" Thank you all very much.

*Note: The President spoke at 3:12 p.m. He was greeted upon arrival at the base by Gov. Ricardo J. Bordallo and Mrs. Bordallo.*

## Nomination of M.D.B. Carlisle To Be an Assistant Secretary of Defense

*April 30, 1986*

The President today announced his intention to nominate M.D.B. Carlisle to be an Assistant Secretary of Defense (Legislative Affairs). She would succeed Russell A. Rourke.

Since 1984 Mrs. Carlisle has been the executive director of the Council for National Policy, a nonprofit educational foundation. Prior to this she served as executive director of the Republican Conference in the

United States Senate, 1981-1984. From 1975 to 1980, she served as executive director of the Senate Steering Committee.

Mrs. Carlisle graduated from Manhattanville College (B.A., 1975) and pursued post-graduate studies at Boston University. She is married, has two children, and resides in Washington, DC. She was born August 8, 1935, in Providence, RI.

## Statement by Principal Deputy Press Secretary Speakes on the Soviet Nuclear Reactor Accident at Chernobyl

*April 30, 1986*

The President yesterday, aboard Air Force One, ordered the establishment of an interagency task force within the United States Government that would coordinate the government's response to the nuclear reactor accident at Chernobyl. The task force is under the direction of Lee Thomas, who is the Administrator of the Environmental Protection Agency [EPA], with representatives from EPA, the Department of Energy, the Department of the Air Force, National Oceanic and Atmospheric Administration, the Federal Aviation Administration, the Food and Drug Administration, the Nuclear Regulatory Commission, the Department of State, and the Central Intelligence Agency.

The group met yesterday, last evening, in Washington and will be meeting on a regular basis for the foreseeable future. The group is charged with providing continuous monitoring of any health and environmental implications resulting from the accident. EPA will provide daily press briefings based on information gathered by this task force in order to keep the public informed.

Based on the latest data that has been gathered since we learned of the accident, it appears that the radioactive air mass from the Chernobyl nuclear reactor accident in

the Soviet Union is currently moving over the Soviet Union. During the next few days, it is expected that the air mass will be dispersed by normal atmospheric activity. It is too early to determine whether any portion of the radioactive air mass will reach the continental United States. However, from the latest information we now have, should any radiation reach the United States, it is highly unlikely that it would be a level that would pose any threat to public health. This is because of the dispersion which would take place in the atmosphere. The Environmental Protection Agency, which maintains the Nation's radiation monitoring network, has increased its sampling frequency to a daily basis for airborne radioactivity.

Information available to us indicates that the Soviet reactor accident occurred in the fourth and newest reactor at the Chernobyl Power Station. This reactor is a graphite-moderated, pressure-tube reactor of a type called RBMK by the Soviets. The reactor suffered a major accident which included a fire at the graphite core. Given the amount and extent of the radiation released, the fire has destroyed most of the reactor's core. The reactor core contains approximately 200 tons of uranium interspersed with 1,700



tons of graphite. If the fire is not extinguished, it would probably continue to burn for days or weeks. The fire will continue to spread radiation from the core as long as it burns, although the Soviets have indicated that the rate of release is decreasing. Fighting the fire will be very difficult due to the extremely high levels of radiation near the reactor. The Soviets have asked some Western European countries for assistance in fighting the graphite fire, although no one in the world has experience in dealing with a situation like this. The British had a graphite fire in their reactor in the 1950's, but the radioactive contamination was much less.

On the diplomatic front, this morning Assistant Secretary of State for European and Canadian Affairs [Rozanne L. Ridgway] met the Soviet Chargé Sokolov—that took place yesterday, eastern time. She expressed, on behalf of the President, the United States deep regret over the accident. We hope that the casualties and material damage will be minimal. The United States is prepared to make available to the Soviet Union humanitarian and technical assistance dealing with this accident. We are seeking additional information on the accident and request the closest possible coordinated effort among all concerned countries. To minimize the danger, we hope the Soviet Union will fulfill its international obligations to provide information on the accident in a timely manner. In order to state publicly the United States position and understand-

ing of the situation, a briefing will be held in Washington on Wednesday at 11 a.m. at the State Department. Those briefers will include the Environmental Protection Agency, State Department, and Energy Department, as well as the Nuclear Regulatory Commission.

The State Department has told us that we do not have a count of all Americans in the Kiev area, since tourists are not under an obligation to inform the Department or the U.S. Embassy of their whereabouts. Embassy officers in the U.S.S.R. are in contact with Intourist and other Soviet authorities, but in order to trace an individual they need the Intourist group number or name or location and phone number, if possible, of the hotel in which the American citizen is thought to be staying.

Embassy Moscow has no reports of Americans affected by the accident. There have been no requests for medical assistance, evacuation, or other assistance by Americans. We have been informed that there are several American students who are traveling in the Soviet Union and are now in Kiev. The Soviet Government, of course, is responsible for ensuring that they are safely evacuated should it be required. Unfortunately, the Soviet Union has not told us what precautions that they are offering to protect our citizens that may be in the Soviet Union.

*Note: Larry M. Speakes read the statement to reporters at 9:55 a.m. in the Bali Room at the Bali Sol Hotel, in Bali, Indonesia.*

## **Proclamation 5470—Fair Housing Month, 1986**

*April 30, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

The year 1986 marks the eighteenth anniversary of the passage of title VIII of the Civil Rights Act of 1968, commonly referred to as the "Fair Housing Act," declaring it a national policy that housing throughout the United States should be

made available to all citizens on the basis of equality and fairness.

The Federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin.

Fairness is the foundation of our way of life and reflects the best of our traditional American values. Invidious discriminatory housing practices are abhorrent to the

American sense of fair play.

In this eighteenth year since the passage of the Fair Housing Act, Americans should continue to work together to uphold the Fair Housing Act and the principle of equal opportunity on which it is based.

The Congress, by Senate Joint Resolution 303, has authorized and requested the President to issue a proclamation designating the month of April 1986 as "Fair Housing Month."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim April 1986 as Fair Housing

Month.

*In Witness Whereof*, I have hereunto set my hand this thirtieth day of April, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:51 a.m., May 5, 1986]

Note: The proclamation was released by the Office of the Press Secretary on May 1.

## Proclamation 5471—Loyalty Day, 1986

May 1, 1986

*By the President of the United States of America*

### A Proclamation

The freedom of thought and action we Americans enjoy today seems as natural as the air we breathe. But there is a danger we may take this freedom for granted. We must never forget it was bought for us at a great price. The brave and resourceful Americans whose sacrifices gained our Independence and preserved it for more than 200 years against formidable foes have set an example of unflinching loyalty to the ideal of liberty and justice for all.

Our great Nation is at peace, but peace demands of us a commitment to defend the system of government that has so effectively ensured our freedoms. To encourage our vigilance and so that we may rededicate ourselves to sustaining the great American ideals, the Congress, by joint resolution approved July 18, 1958 (72 Stat. 369, 36 U.S.C.

162), has designated May 1 of each year as "Loyalty Day."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 1, 1986, as Loyalty Day and call upon all Americans and all patriotic, civic, fraternal, and educational organizations to observe that day with appropriate ceremonies. I also call upon government officials to display the flag of the United States on all government buildings and grounds on that day.

*In Witness Whereof*, I have hereunto set my hand this first day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:52 a.m., May 5, 1986]

## **Statement by Principal Deputy Press Secretary Speakes on the Soviet Nuclear Reactor Accident at Chernobyl May 1, 1986**

Soviet authorities are continuing to maintain a close hold on information on the nuclear accident and its consequences. We know that a major accident resulted in explosion and major damage to unit four of the Chernobyl nuclear facility. A fire occurred, and we have indications of a continuing fire at that facility. We cannot confirm press reports of a second nuclear reactor meltdown. Some diplomatic and consular establishments are advising their citizens to leave the area of Kiev. We have no firm official information on casualties, on evacuation of population.

On Tuesday afternoon, Washington time, Minister Counselor Isakov of the Soviet Union conveyed a message to the United States Government regarding the Chernobyl nuclear accident. The Minister Counselor characterized the message as being from General Secretary Gorbachev to the President. This is in addition to the meeting which Secretary Ridgway had with Mr. Sokolov earlier in the day in which he presented our offer. This message was not characterized by the Soviets as a direct response to our earlier request for information, nor have we received a response to our offer of assistance. We have reiterated to the Soviets that our offer of assistance still stands. We also repeated hope for a more detailed information on the scale and nature of the accident.

The Soviets have confirmed to us that an accident occurred on April 25th—you will note that is Friday—in one of the power block rooms at Chernobyl, an atomic power station near Kiev. They say that a leak of radioactive material has required the partial evacuation of the populations in regions immediately adjacent to the accident. They indicate that the radiation situation has been stabilized; and, finally, they note that the dissemination of radioactive contamination in the western, northern, and southern sections has been detected. The message further states that these levels of contamination are somewhat above permissible

norms but are not in the extent which would require special measures to protect the population.

The latest available information from the President's interagency special task force on the Soviet reactor incident indicates very little change from yesterday. We do not have any different assessments of casualties from the Soviet Union. You have seen their public announcements. The movement of the radioactive substance in the atmosphere is still unsettled. Releases immediately following the incident moved toward the northwest, toward the Scandinavian countries, then shifted to the south, and the latest day or so have moved to the east. There have been reportings of radioactive fallout in a number of European countries, most specifically and recently the Austrians. The coverage of the cloud is quite large. Estimates from the National Oceanic and Atmospheric Administration lead us to think that it is covering a good part of eastern and northern Europe, possibly the northwestern part of the Soviet Union, and may well be extending into the Arctic Basin. As far as the background levels found in Sweden, we have only limited information at this point. But it would appear that the background level has been exceeded by only about 1 millirem over the last several days, and they're continuing to take measurements. To put it in context, the average background level due to all sources on a continuing basis, natural and otherwise, is about 90 to 100 millirem per year, and they have received 1 millirem over the last several days.

We still do not know if the plume might reach the United States. But based on data that we do have at this time, we do not expect any significant health effects if, indeed, it does reach the United States.

In the meantime, we're waiting and assessing the situation. The EPA's National Environmental Radiation Monitoring System is in its usual monitoring mode and, in the case of any detection of increased

levels, will speed up the rate at which we take measurements of all types: air, ground, and water.

We're continuing to ask for more information from the Soviets so that we can learn exactly what happened. It is still impossible to learn if there was actually a meltdown at the fourth Chernobyl reactor, but there are indications of it. There was obviously a fire of graphite material surrounding the fuel rods, and there's been a release of various radioactive elements. So far as we know, the fire is still burning. There has been some speculation in public circles regarding a similar incident or fire at the third Chernobyl reactor, but we have no evidence to confirm that. We know from Landsat satellite photos that there is a second heat source; but that can indicate several things, such as buildings or other things burning in the area, but not necessarily the problem with another reactor.

Yesterday we said there were two graphite reactors in the United States. One is the N reactor at Hanford, Washington; the other is a private, electrical-power generating, commercial reactor at Fort St. Vrain, Colorado. It is a graphite-based, gas-cooled, and like all commercial U.S. reactors, has a containment system around the reactor. The Hanford N is a graphite-moderated, liquid-cooled. That is the only similarity with the Chernobyl reactors. At Hanford, if there were a loss of coolant, we would have a separate cooling system to keep it from overheating. That reactor has been operating for 23 years. It produces power and plutonium for weapons programs. It does not have a containment dome but does

have a filtered confinement system. The confinement system would filter out 99.9 percent of all particulate emissions. The reactor is also in a heavily reinforced concrete building, whereas the Soviet reactor was in a less secure industrial building.

Yesterday we were asked about the Department of Energy reactors that do not have containment facilities. There are four such reactors at Savannah River, South Carolina, which is south of Aiken. They are all production facilities, heavy water moderated and cooled. Like the Hanford facility, they are confined with filtration systems. Heavy water facilities use an isotope of the standard H<sub>2</sub>O molecule that results from the presence of deuterium oxide, an isotope of hydrogen with an extra neutron in the nucleus. It tends to moderate the actual fission process created by the U-235 fuel activation. That moderating loop is closed and separate from the cooling loop. It is also worth pointing out that, unlike conventional, commercial light water reactors, these heavy water reactors operate at only 5 pounds per square inch over normal atmospheric pressure and at temperatures only slightly above 212 degrees Fahrenheit. Commercial reactors operate at very high temperatures and normally in excess of 2,000 pounds per square inch.

*Note: Larry M. Speakes read the statement to reporters at 12:22 p.m. in the Bali Room at the Bali Sol Hotel, in Bali, Indonesia. Rozanne L. Ridgway was Assistant Secretary of State for European and Canadian Affairs, and Oleg M. Sokolov was the Soviet Chargé d'Affaires in Washington, DC.*

## Address to the Ministerial Meeting of the Association of South East Asian Nations in Bali, Indonesia

May 1, 1986

Mr. Vice President [Salvador Laurel of the Philippines], ASEAN Foreign Ministers, ladies and gentlemen, I appreciate this opportunity to discuss with you the wide range of issues that are of mutual concern to our peoples. Since coming to the Presi-

dency, I have stressed enterprise, not redistribution, as the best means of improving the economic well-being of any country. I've emphasized the importance of free people cooperating together to meet the serious challenges that are loose in the world

today. Our talks, then, have particular relevance. Since its founding in 1967, ASEAN has been a shining example of enterprise and cooperation.

It was my honor earlier to have met and conferred with President Soeharto. Our discussions were friendly and carried out with the mutual respect one would expect between the leaders of two great nations. I am confident that our discussions will be in the same spirit—I mean our discussions here. And I'm looking forward to hearing your views.

You know, there is a story back in the United States about two men out in the woods on a hike. They saw a large bear coming over the hill, directly toward them. And one of them sat down, took off his knapsack, reached in, got out a pair of tennis shoes, and started to put them on. And the other one looked and says, "You don't think that putting on those tennis shoes—you're going to be able to outrun that bear?" He said, "I don't have to outrun the bear; I only have to outrun you." [Laughter] Well, if there is a bear coming over the hill, unlike that hiker, the American people can be counted on to stick with our friends. We won't put on running shoes. [Laughter] Standing together, we can make certain the people of this region remain free and secure.

Today there is an ever-increasing recognition that our futures are linked in so many ways. Two ASEAN members, Thailand and the Philippines, are treaty allies. All of you are friends with whom we work closely. The United States sees ASEAN's unity and decisiveness as an example to other free people. The ASEAN collective voice of responsible international behavior has been amplified throughout the world, and I am here to listen to you. Support for and cooperation with ASEAN is a linchpin of American Pacific policy.

Nowhere has your leadership been more inspiring than in molding the world's response to the Vietnamese invasion and occupation of Cambodia. After the collapse of South Vietnam, ASEAN took a strong stand against Vietnamese expansionism. When Vietnam invaded Cambodia in 1978, you recognized the threat and acted quickly. The strength of your commitment and the

direction you've provided on this vital issue have been much admired by the United States. In 1981 ASEAN organized the International Conference on Kampuchea. We continue to support the basic principles for the settlement of the Cambodian situation agreed upon at that conference: the complete withdrawal of Vietnamese forces under international supervision; the restoration of Cambodian independence, sovereignty, and territorial integrity; a Cambodian government chosen in free elections under international auspices.

ASEAN's efforts are consistent with American desires to bring peaceful resolution to the tragic cycle of events that has plagued the Cambodian people. We continue to believe a negotiated settlement with ASEAN is in Vietnam's interest and in the best interest of everyone in the region. We are prepared to participate constructively in a regional settlement and call upon Vietnam to answer your reasonable proposals for negotiations. The contrast between the economic conditions prevailing in Vietnam and ASEAN is striking. Their continued occupation of Cambodia is simply widening this gap each day. Cambodia is, of course, something we will discuss further this afternoon along with other issues of regional and global importance.

In approaching our discussions, let me just say the United States considers itself a Pacific rim country, with a heavy stake in the outcome of events in this region. The Philippines, for example, is a country with which the United States has deep and abiding ties. We hope that recent events there will increase the chances of unity through democracy and enable the Philippine people, to a greater degree, to join in the economic advances so apparent throughout the region. Before I left Washington, we announced a Philippine aid package to help our Filipino friends during this difficult period. This region's economic stature continues to grow. Collectively, ASEAN is now the United States fifth largest trading partner. Our trade with you, as with all of east Asia and the Pacific, is growing faster than with any other region of the world. When this organization was founded back in 1967, our annual trade was running at less than

\$2 billion. In 1985 U.S.-ASEAN trade reached \$23.5 billion.

As you are all aware, there is growing pressure in many industrial countries to restrict trade. Well, I'm certain you agree that any substantial cut in the commerce between nations would be an unmitigated disaster. It's only right that we are meeting prior to the 12th economic summit in Tokyo. One of the messages I am bringing to the economic summit concerns the necessity of keeping open the avenues of world trade. This is something that the United States and ASEAN should work closely together to achieve. It is fundamental to the well-being of both our peoples. As part of my preparation for the economic summit, I'm also looking forward to hearing today your thoughts on issues that the summit conferees should keep in mind as concerns of the countries of ASEAN. We are pleased, as a Pacific rim partner, to take your ideas to the meetings in Tokyo.

Our progress has been based on freeing—not restricting—man's commerce, energy, and creativity. A strong commitment to the principles of freedom and independence, and a fundamental trust in free enterprise and open markets, have propelled ASEAN countries far beyond what others would have thought possible. The decisionmakers of your countries have proven their wisdom and good sense. But I have a favor to ask. I

think the leaders of the developing world could use your advice. You know, give a man a fish and he won't be hungry today, but teach him how to fish and he'll never be hungry again. You can do a great service by telling others, especially those trying to improve their lot, how to follow the path of personal incentives to economic progress.

I would like to mention the humanitarian issue of great personal concern to me, my administration, and the American people. It is about our men still missing in action from the Vietnam war. Vietnam's recent, apparent attempt to link this last vestige of the war to other issues is a great disappointment to us. We were pleased with the evident progress over the past year. It indicated Hanoi had agreed with us that resolution of this issue was in their national interest. We appreciate all that you have done to help us on this, and we hope that Vietnam will soon resume these important talks.

In closing, I would like to say the United States is proud to be a partner with ASEAN in the quest for peace, freedom, and greater prosperity. I am looking forward to our meeting this afternoon and to the continuing close relationship between our governments and people. Thank you all, and God bless you.

*Note: The President spoke at 3:09 p.m. in the Keraton Room at the Nusa Dua Hotel.*

## Toast at the State Dinner in Bali, Indonesia May 1, 1986

Mr. President, Mrs. Soeharto, the Ministry, ladies and gentlemen, Nancy and I are delighted to be with you tonight. It's a great honor to be visiting Indonesia again and to receive the warm hospitality and gracious welcome for which the Indonesian people are justly famous. I remember how much I enjoyed my visit to Indonesia in December of 1973 when I was Governor of California and here representing our President at the time. I also recall with pleasure, Mr. President, your visit to the United States in October of 1982. I remember well

that in your dinner toast you suggested, "Like it or not, we must consider the world as the common homeland of all nations."

Well, Mr. President, the American people are honored that, as citizens of the world, we count as our close and trusted friends the people of Indonesia. Americans see Indonesia as an impressive success story. In just over 40 years, this vast and beautiful nation has made enormous strides. We Americans appreciate that the path to national union is not easy for a country that spans over 3,000 miles and is scattered

across more than 13,600 islands. The challenges you face in developing your country, with its wide expanse and rich diversity, are not unlike the obstacles and hazards Americans faced in settling and developing our own country.

Despite regional diversity, Indonesia, under your leadership, Mr. President, is a united country, a country that is assuming an increasingly significant role in the region and in the world. Your commitment to Indonesian resilience, drawing on your own resources and your own traditions and institutions, serves to enrich your people materially and spiritually. In the United States our governing institutions celebrate the wisdom of a balance of power that works to shape our laws and traditions. Indonesia's governing philosophy of consultation and consensus is different from our own, yet its ultimate goal is blending diversity into national unity. Even though our methods of government differ, the friendly and open nature of the discussions we've had here and when you were in Washington reflect the positive and constructive day-to-day, year-to-year conduct of relations between our two countries.

I want to congratulate you, Mr. President, on Indonesia's achievement in reaching self-sufficiency in rice production. This is an enormous accomplishment of which you can be justifiably proud. Having moved so far, so fast in providing ample food resources is another indication of your government's effective management. The attainment of rice self-sufficiency is just one indication that Indonesia's economic development program has been wide-reaching and impressive. This program of growth and advancement has been directed toward bringing the benefits of development to all levels of society. Mr. President, not too long ago you said, "It is impossible to reach equity in development, impossible to wipe out poverty, if there is no economic growth." Well, we applaud that emphasis.

We have a saying in the United States that rather than talk about how to divide a small pie, let's work and build and bake a bigger pie so everyone can have a bigger slice. Mr. President, we have been happy to cooperate with you in a number of social and economic fields, including food production, off-farm employment, private sector development, and health care. We look forward to continuing our work together. In this regard, we have found the growing cooperation between our two nations in the field of science and technology to be particularly beneficial.

Indonesia is also to be congratulated, Mr. President, for its humanitarian policy of granting first asylum to almost 100,000 refugees from Indochina. The international community and the American people applaud Indonesia for its generous response to the plight of these unfortunate people who are seeking freedom and refuge. Many of these refugees have also resettled on our shores and have enriched the fabric of American life. The plight of these friends in distress is very important to Americans. I want to express to you, Mr. President, my personal appreciation for the sacrifice and consideration your government has shown in this humanitarian endeavor.

I am struck by how our discussions have reflected a mutuality of interests and a harmony of views. And I am confident the spirit that has prevailed here will enable us to forge even stronger relations in the years ahead. And I would ask you all to join me then in toasting the people of Indonesia; their distinguished leader, President Soeharto; and the friendship between the Indonesian and American people.

*Note: The President spoke at 7:47 p.m. at the Putri Bali Hotel. The representatives to the ministerial meeting of the Association of South East Asian Nations also attended the dinner.*

## Nomination of John Thomas Agresto To Be Archivist of the United States

May 1, 1986

The President today has announced his intention to nominate John Thomas Agresto to be Archivist of the United States. This is a new position.

Mr. Agresto has been with the National Endowment for the Humanities since 1982, first as an Assistant Chairman and then as Deputy Chairman and Acting Chairman, 1985 to the present. Previously he was with National Humanities Center Research in Triangle Park, NC, 1979-1982 and 1978-

1979; a visiting associate professor at Duke University in 1981; an assistant professor at Kenyon College, 1972-1978; and a visiting lecturer at the University of Toronto, 1971-1972.

Mr. Agresto graduated from Boston College (A.B., 1967) and Cornell University (Ph.D., 1974). He is married, has two children, and resides in Washington, DC. Mr. Agresto was born on January 7, 1946, in Brooklyn, NY.

## Written Responses to Questions Submitted by Japanese News Organizations

May 2, 1986

### *Tokyo Economic Summit*

*Q.* What are the primary American objectives at the Tokyo summit? How do you think this summit will be different from the previous summits? What would be the greatest accomplishment the summit could achieve?

*The President.* United States objectives for the Tokyo summit are to promote policies that will assure further convergence of economic performance and a strong and stable global economy. We will stress the importance of actively pursuing the strategies laid out at Williamsburg, London, and Bonn for dealing with the interrelated problems of growth, debt, trade, and finance. We will emphasize the importance of working together to assure implementation of the Program for Sustained Growth, proposed by Secretary [of the Treasury] Baker in Seoul, through the adoption of growth-oriented economic reforms in debtor nations, policy and procedural reforms within the international financial institutions to permit increased disbursements in support of growth-oriented economic reform, and adequate net new lending by commercial banks. In addition, we will em-

phasize the importance of completing the preparation of a new round of multilateral trade negotiations and ensuring the successful launching of such negotiations.

We also hope that this convocation of democratic leaders will be an opportunity to further collective action on combating terrorism. The scourge of terrorism has profoundly affected the peoples of our country. We must look for ways to deter states such as Libya from supporting, directing, and sponsoring terrorism while we concurrently look for ways to ameliorate the root causes of such activity.

*Q.* We understand you have a close personal relationship with Prime Minister Nakasone, who has said he wants to make this summit a "summit that sends a bright message to the future." What role should Japan play at the summit? Do you believe this summit marks the beginning of a more assertive Japan, inclined toward increased leadership in world affairs?

*The President.* In the five summits I have attended before, each nation has sought to play a constructive role in bringing the major industrial democracies closer together while conveying its own perspectives on



global economic and political issues. I expect this will be Prime Minister Nakasone's approach to the Tokyo summit, and it will be mine. Japan has been an important participant in the economic summits and hosted the summit once before in 1979, so it is fair to say that Japan has had a very prominent leadership role in world affairs for quite some time now. In recent years Japan has quite rightly taken on more responsibilities in global affairs, as appropriate for an economic superpower. It should continue its efforts in this direction. Prime Minister Nakasone has made it clear that Japan is prepared to continue to assume more of the burden of its own defense, to import more and provide a larger and more open market to her trading partners, and also to continue to increase development assistance to important needy friends in the developing world.

*Q.* Some fundamental disagreements between the United States and its Western European allies have surfaced recently over the Libyan crisis. When unity is essential for negotiations with the Soviets and for economic coordination among Western nations, how do you plan to solidify Western unity at the summit?

*The President.* One of the great strengths of the yearly economic summit is the opportunity it provides for leaders of the free world to meet together and discuss candidly the major issues we face as democracies. It is this very process of continued consultation and dialog that allows us to stand unified behind the basic principles and values we share. And while we may differ on tactics, the countries represented share both a revulsion to terrorism and a common commitment to a dialog with the Soviets based on strength and realism.

On economic issues, a broad consensus has emerged on the shared responsibility to continue to implement sound and compatible domestic policies which promote convergence of strong noninflationary economic growth as a prerequisite for sustainable world economic expansion. As a group, the summit economies are entering the fourth year of real expansion; and inflation fell below 4 percent in 1985. Improved economic fundamentals in many summit countries have been reflected in the apprecia-

tion of nondollar currencies, facilitating the adjustment of large external imbalances. Moreover, new cooperative efforts are being made to address the debt situation, and preparatory work is underway for a GATT ministerial with the goal of launching a new trade round.

#### *Strategic Defense Initiative*

*Q.* Japan appears ready to join you in your efforts to build a strategic defense against nuclear weapons. When do you expect Japan to make a final decision on SDI? What could Japan gain from participation? Is Japan's participation essential for the political or technological success of SDI?

*The President.* The United States would welcome the widest possible Japanese participation in the SDI research program. There are a number of areas where we believe Japan's advanced technological capabilities and expertise could provide valuable contributions to the SDI research effort. We also believe that participation would be beneficial to Japan by contributing to advances in technology and knowledge which might otherwise not take place. As you know, a group of Japanese Government and industry officials recently visited SDI research facilities in the United States. We hope they will reach similar conclusions. While we do not see participation by any of our allies as essential to the success of the SDI research effort, the widest possible allied participation will help to ensure success. As to the timing of a Japanese decision on SDI, as well as the decision itself, that of course is a matter for the Government of Japan to consider. We have set no time limits for such a decision.

#### *Japan-U.S. Trade*

*Q.* The Japanese Prime Minister told reporters after his meeting with you that he hopes the trade imbalance between the United States and Japan will improve. Do you expect progress on this front? Specifically, how do you expect this to be achieved, both on a macroeconomic scale and bilaterally between the United States and Japan? Regarding Japan's recent blue ribbon report which recommends far-reaching structural changes for the Japanese

economy, what recommendations of the report do you regard as most promising?

*The President.* I share Prime Minister Nakasone's hope that the trade imbalance between the U.S. and Japan will improve. It is essential that this balance improve. I am convinced that with strong efforts and perseverance on both sides we will overcome our trade problem. We should keep in mind, however, that the imbalance results from complex factors that will take time to correct. There are no quick and easy fixes.

The Prime Minister told me Japan is adopting as a priority national goal the steady reduction of its trade surpluses. He said he is determined to bring about a fundamental shift in Japan's economy: a shift from reliance on exports for growth to a more balanced economy leading to a significant increase in imports, particularly manufactured goods. This was the central message of the Maekawa report, and Prime Minister Nakasone indicated that a Cabinet committee would be empowered to ensure followup. Implementation of these actions, coupled with increased Japanese economic growth and Japan's continuing efforts to open its markets, should help to alleviate our bilateral trade tensions. Also, the shift in exchange rates should help.

#### *Soviet-U.S. Relations*

*Q.* In the wake of the U.S. attacks on Libya, relations between the United States and the Soviet Union have deteriorated further. Are you confident there will be another summit between you and Mr. Gorbachev this year? You have stated clearly you will not compromise on SDI and that underground nuclear testing is necessary to maintain U.S. deterrence. Besides on-site inspection, on what areas, if any, are you prepared to compromise with the Soviets?

*The President.* General Secretary Gorbachev and I agreed at Geneva to hold a summit in the U.S. this year and in the Soviet Union next year. For our part, this agreement stands. Unfortunately, the Soviets have been reluctant to go ahead. They still haven't answered us about dates for a summit. They have now suspended our agreed foreign ministers' meeting. We see no reason for delay. There are a lot of issues between our countries that need work, and

holding back on talks doesn't contribute to progress. Our action in Libya was antiterrorist, not anti-Libyan, anti-Arab, or directed against the Soviet Union.

We have advanced good positions in arms control, including nuclear testing, strategic offensive and defensive weapons, and intermediate-range forces. These are not take-it-or-leave-it positions. We want to work to reach mutually beneficial agreements. We also want to continue useful discussions on regional issues, human rights, and bilateral issues such as cultural contacts and trade. The Soviets have not answered all of our proposals, but have advanced some ideas of their own. We'd like to accelerate the process by getting on with scheduling the high-level meetings we have agreed to.

#### *U.S. Air Strike Against Libya*

*Q.* What did the United States gain and what did it lose when it bombed Libya? Will the United States take similar action against other nations if you have conclusive evidence of their involvement in terrorist acts?

*The President.* There can be no question about direct Libyan involvement in a number of recent, heinous terrorist acts which injured and killed Americans, such as the bombing of a disco in West Berlin. These indiscriminate attacks and those planned by Libya must be dealt with firmly to prevent even more indiscriminate attacks on innocent people. It is my duty to take action to protect the lives of Americans. Military operations on April 14 were specifically aimed at installations of direct relevance to Libyan terrorism in an effort to preempt further acts of this kind. Our action underscored to Qadhafi that his actions will not go unpunished and cost-free. This was a principal goal, and it was achieved.

We did what we had to do. We tried peaceful options such as economic and diplomatic sanctions before resorting to force, but Qadhafi did not grasp the seriousness of our determination to bring a stop to terrorism. I took no pleasure in ordering the attack on military targets in Libya. U.S. servicemen performed with valor. Sadly, two gave their lives in this service, a loss

which we feel deeply. Terrorism is a world-wide problem. If we are to defeat it, sacrifices by all affected nations are necessary. I hope that this action will have been enough to convince Qadhafi to change his policies. If not, I will not hesitate to act again.

#### *China-U.S. Relations*

*Q.* Since you visited the People's Republic of China in the spring of 1984, countries surrounding China have keenly watched U.S.-China relations, especially in the field of military and technological cooperation. The U.S. Government has recently decided to provide China with advanced electronic equipment for its air force, and talks are underway to provide China with additional military hardware and technology. How far can such U.S.-China cooperation go without seriously alarming Taiwan and the Soviet Union?

*The President.* Since the normalization of diplomatic relations between the United States and the People's Republic of China on January 1, 1979, the development of an appropriate military relationship has been seen as one element of the overall political and economic relationship. Great strides have been made in both the political and economic areas of the relationship. Not surprisingly, the military dimension of U.S.-P.R.C. relations has also progressed. An objective of U.S. policy is to build an enduring relationship with the P.R.C., including a military one, which will support China's national development and maintain China as a force for peace and stability in the Asia-Pacific region and the world. We believe a more secure, modernizing, and friendly China, with an independent foreign policy and economic system more compatible with the West, can make a significant contribution to peace and stability.

*Q.* Also, last year China refused a U.S. port call from the 7th Fleet because some ships in the fleet are nuclear-capable. How will the United States respond to the Chinese request for a guarantee that ships en-

tering its ports not carry nuclear weapons?

*The President.* We view a U.S. ship visit to China as one symbol of progress in developing an enduring, long-term military relationship. A U.S. naval port call to China in the future is still under active consideration. I remain hopeful that we will reach an agreement with the Chinese that will allow a visit to take place.

#### *The Philippines and the Republic of Korea*

*Q.* Are you satisfied with the new Aquino government in the Philippines? Do you believe it has firmly established its control? Related to this, the Philippine "revolution" seems to be influencing the opposition in the Republic of Korea, which has stepped up its demonstrations for constitutional reform. How do you assess this situation? Are you satisfied with the Korean Government's handling of the opposition?

*The President.* The new government of the Philippines enjoys the overwhelming support of the Filipino people. The United States is ready to cooperate with and be helpful to the new government in any appropriate way. President Aquino has declared a timetable for the early return to full democracy. The timetable includes a plan for a new constitution to be submitted to the Filipino people for ratification this year and legislative and local government elections thereafter.

The Philippines and the Republic of Korea are two very different countries. In Korea President Chun has promised to step down at the end of his term, less than 2 years from now. The economy is doing well. And the military is doing a very professional job of encountering a serious external threat. This sort of environment makes incremental progress possible. We have encouraged further democratization in Korea and will continue to do so. We have welcomed the Korean Government's eased policy toward the opposition since President Chun's February 24 meeting with opposition and party leaders.

## **Statement by Principal Deputy Press Secretary Speakes on the Senate Budget Resolution**

***May 2, 1986***

The President believes it is essential that a budget resolution be passed by the U.S. Congress. If we are to maintain a strong economic recovery and sustained growth it will require a clear signal that the deficit targets required by Gramm-Rudman-Hollings be met. The Senate has developed a budget package that falls short of the President's requested levels for providing a strong defense. It calls for additional revenues above the levels he believes appropriate. And the domestic spending reductions envisioned in the resolution are more modest than what the President feels is appropriate. In addition, while the proposal covers a 3-year timeframe, he believes a 1-year focus is more appropriate.

Nonetheless, the Senate has struggled to meet its obligations under Gramm-Rudman-Hollings and send a positive signal to working men and women of the country and the rest of the world that we are staying on a path to a balanced budget. While the President has serious reservations about individual aspects of the Senate budget resolution, he believes it is important that the Senate passes a budget for 1987 and recognizes their effort. The consequences of failure to act under Gramm-Rudman-Hollings are too great. Therefore, given the Senate's action, he looks forward to working with the Congress to ensure more acceptable levels are reached for defense, taxes, and spending reductions.

## **Statement by Principal Deputy Press Secretary Speakes on the Soviet Nuclear Reactor Accident at Chernobyl**

***May 3, 1986***

The United States continues its effort in dealing with the Soviet nuclear accident, both on the diplomatic and domestic fronts. The Vice President in Washington assembled a special situation group on Friday and has since reported to the President his findings. Attending that meeting, besides the Vice President, were Don Fortier of the National Security Council; Secretary Weinberger of the Defense Department; D. Lowell Jensen, the Deputy Attorney General; John C. Whitehead, the Deputy Secretary of State; John Herrington, the Cabinet Secretary at the Energy Department; William Casey, the Director of the Central Intelligence Agency; General John Wickham, the Chairman of the Joint Chiefs of Staff; Nunzio J. Palladino, and Nuclear Regulatory Commission—Nunzio Palladino and Harold Denton; and Environmental Protection Agency, Lee Thomas. There were additional staff members from each of these agencies present, but those are the major ones

who attended.

The President has received the report of the Vice President in written format as a result of the meeting. The President and Vice President both expressed serious concern with the lack of information that the Soviet Government is providing to the public and to the world and to its own citizens. Environmental accidents whose fallout ignores national boundaries are concerns for all. We will continue to press for full and accurate information.

While it's true that the Soviets are reporting that they have smothered the fire at the [number] four Chernobyl reactor, we cannot confirm that. We have every reason to think that the fire has diminished, but there is evidence that the reactor or associated equipment with the reactor continues to smolder. We do know that the second hotspot, as reported from the Landsat photos, was not a reactor.

Weather patterns are shifting from day to day, but airborne radioactivity now covers much of Europe and a large part of the Soviet Union. In the last 48 hours there has been movement of radioactivity to the south, and there's apparently elevated levels detected as far south as Italy. Air containing radioactivity by aircraft was measured at 5,000 feet about 400 miles west of northern Norway and is believed to have turned south and southeastward. It is beginning, perhaps, to return over Europe. While there's been speculation about the movement of the plume eastward across the Soviet Union, we cannot at this moment confirm any movement across the Soviet Union. There has been no detection of any elevated levels of radiation above the normal background either in the United States or Canada. Environmental Protection Agency's (EPA) radiation monitoring network is now sampling all media on a daily basis, but there is no reason to expect any risk to human health in the United States.

With the limited data on hand, the Department of State and Health and Human

Services have issued an advisory against travel to Kiev and adjacent areas. Due to reports from the Polish Government of increased levels of radiation in certain lake districts, we're recommending that women of childbearing age and children should not travel to Poland until after this situation is clarified. Milk and other dairy products in Eastern Europe also should be avoided. Other actions taken by the task force include: radiation-monitoring teams have now been sent from the United States and are in place in several European countries; EPA medical teams have been sent to our Embassy personnel in Warsaw and Moscow. An EPA technician and State Department medical expert will leave today for Warsaw, Krakow, Moscow, and Leningrad to help determine the radiological status of our missions there. An expert in bone marrow transplants, Dr. Peter Gale, has gone to the Soviet Union to offer his expertise and assistance.

*Note: Larry M. Speakes read the statement to reporters at 10:37 a.m. in the Heian Room at the Hotel Okura in Tokyo, Japan.*

## Statement by Principal Deputy Press Secretary Speakes on the Restructuring of the Japanese Economy

*May 3, 1986*

We're pleased to take note of the fact that Prime Minister Nakasone's ruling Liberal Democratic Party has agreed to his proposals for specific action assignments to restructure the Japanese economy. These actions embrace several of the key recommendations of the Maekawa report as well as other important measures. The action assignments are part of the medium- and long-term steps necessary to change the structure of Japan's economy to rely on increasing domestic demand for its economic growth and on the trade side to increase Japanese imports, especially of manufactured goods.

Prime Minister Nakasone has described

this effort as an historic change for Japan, and the President has welcomed it. The Government has made action assignments for specific targeted areas for implementation such as tax reform, financial liberalization, encouragement of investment, and transformation of the industrial structure. The Government also announced its intention to stimulate housing construction, cut working hours, and rationalize coal mining and agriculture.

*Note: Larry M. Speakes read the statement to reporters at approximately 10:40 a.m. in the Heian Room at the Hotel Okura in Tokyo, Japan.*

## Remarks to the Asia-Pacific Council of American Chambers of Commerce in Tokyo, Japan

May 3, 1986

*The President.* It's great to be meeting with all of you and wonderful to see how Asians and Americans share the spirit of enterprise. You stand as testimony to the positive, economy-building power that is unleashed by free enterprise.

Of course, mistakes can happen, no matter how much good we feel about free enterprise. There is a story about a businessman who ordered flowers to be sent to the opening of his friend's new branch office. And when he got there, he was shocked to see the flowers with the inscription, "Rest in Peace." [Laughter] He was so outraged that on the way home he stopped at the florist to complain. And the florist said, "Don't get so upset. Just think of it this way. Today someone in this city was buried beneath a flower arrangement with the inscription, 'Good luck in your new location.'" [Laughter]

Well, what you men and women of commerce have accomplished has been due to much more than luck. Behind the great progress we've witnessed since the close of the Second World War has been your hard work, diligence, and competitive spirit. But, of course, even the best need a level playing field on which to compete; and that's why the subject of free and fair trade will be a priority at this economic summit. America's summit partners have set the ball rolling on a new round of multilateral trade negotiations, and we're going to do everything we can to make those negotiations a success. While we work to open markets abroad, we'll continue to resist protectionist pressures at home in the United States. Many of you, as representatives of America's business community abroad, know how vulnerable we all are to a retaliatory protectionist backlash.

As I said to the Chamber of Commerce in Washington, the winds of freedom blow both east and west, and carried on those breezes are the world's hopes for a prosperous, growing future. Ultimately, of course, expanding trade depends on an expanding

world economy. And that's why we must always—or also begin to focus our attention on the current—or urgent issue of economic stagnation in much of the developing world. We'll not be able to prosper indefinitely while much of the world lags behind, caught in a web of poverty and underdevelopment.

In America the inflation of the 1970's gave us bracket creep. In much of the developing world, though, it was more like a stampede. Rapidly rising marginal tax rates, often on very low incomes, destroyed incentives to work, save, and invest in stifled growth. Making matters worse, one often finds that on top of these explicit taxes were piled more onerous implicit taxes such as price controls, regulations, currency controls, protectionism, and inflation. A new study commissioned by the Agency for International Development found a direct relationship between high tax rates that kick in at low thresholds and low to negative economic growth. On the other hand, they found that low tax, high threshold countries—many of them right here in the Pacific Basin—are among the fastest growing in the world. And rapid growth brings rising real wages and improved living standards. Because high tax rates force economic activity underground or drive it abroad or discourage it all together, they often bring in little revenue. That's why reducing tax rates and increasing thresholds not only stimulates growth, it often increases government revenues, too.

In the postwar period the world has undergone a kind of experiment in which two basic development models have been tested. One is based on central planning and high taxes; the other, on free enterprise and low taxes. The results of the experiment are in: Freedom works. We've seen the proof here in Asia, in the Pacific Basin countries, with their sometimes double-digit growth records, and in the low tax ASEAN nations, which recorded heroic economic growth throughout the 1970's despite the

twin shocks of oil price hikes and inflation. The lesson has been learned well here. Singapore and Japan are considering further tax cuts to keep the growth momentum going. With their dramatic success, these free market countries have much to offer those still struggling with the problems of underdevelopment. It's my hope that the Pacific Basin and ASEAN countries will come to take a leadership role in world development, that they'll share with other nations the wealth of their knowledge and the rich resources of their experience.

The free market nations of Asia have already performed one economic miracle. Now it's time for a second: helping to unlock the vast potential for economic growth that still lies dormant in much of the world. Meanwhile, we're going to keep working to level out that playing field and keep the markets open. There are encouraging signs. Currencies are adjusting, some barriers are being lifted, and Japan is considering steps to increase domestic demand and bring more balance to its export-oriented economy. Open markets, free trade, a fair chance for everyone to compete—that's our agenda for this summit and our goal for the years ahead.

Well, now, that's enough of a monolog from me. And it just occurred to me that maybe for 2 or 3 minutes more you might put up—I know none of us have too much extra time, but you might want to put up with me for a couple of more minutes and make it a dialog. And maybe if somebody has a question, fire away.

*Mr. Hayde.* Mr. Jim Klein, chairman of Asia-Pacific Council, has a presentation.

*Mr. Klein.* Mr. President, Asia-Pacific Council of American Chambers of Commerce, APCAC, certificate of appreciation presented to Ronald Reagan, President of the United States of America, in appreciation of the steadfast support of the principles of democracy and the free enterprise system, for opposing protectionism in any form and championing the cause of fair trade and open markets, for fostering very significant improvements in United States business and United States Government relations around the world, and for his administration's strong support of APCAC. Mr. President, you make us proud to be Ameri-

cans.

*The President.* Well, you make me very proud, and I thank you very much.

But that offer still goes if someone has a question. [*Laughter*] Sometimes I think you must say, "If I had a chance, I'd like to ask—[*laughter*]—"

*Mr. Hayde.* Larry Snowden, do you have a question?

*Mr. Snowden.* I do now, yes. [*Laughter*] Mr. President, those of us who work in this part of the world can attest that many good things have happened in the marketplaces here as a result of lots of factors in response to your inspirational leadership on really promoting free trade.

*The President.* Well, thank you.

*Mr. Snowden.* At the same time American companies find that big domestic market so attractive, somehow it's unattractive or difficult overseas. Does the administration have any plan that would help bolster the courage and give incentives to more American companies to come into this part of the world to help work on this trade?

*The President.* Yes, as a matter of fact, that's of great interest to me and to our administration. We all know the record of the United States as well as other countries, including our host country here, Japan, in aid to lesser developed and underdeveloped countries. But what we've had a feeling is that maybe we've devoted too much of our effort to outright handouts rather than to see if we cannot help with investment and for them to develop their own economies and become totally self-sufficient. And we are trying and looking for ways to see if working with them if we cannot produce those incentives and then see capital invested. I remember a man once told me that no country had ever become great that had not imported people and money. That certainly was the history of the United States. [*Laughter*] And so, we'd like to pass it on, and we are going to try to do that.

Someone else? You mean I answered everything? [*Laughter*] Well, all right then, let me just say—and I am very proud of this—I got indoctrinated with an incident in World War II with regard to free enterprise and whether government didn't have some limitations that it ought to recognize and do

something about. I remember—those of you in the military know that military correspondence means you send a request or something up through the channels, and then it is endorsed by the next in command and goes on and keeps being endorsed, and finally it comes back endorsed by the end person. Well, this was a request from one military installation in the war to do away with voluminous records, military records, that were no longer of any use and served no purpose. And it was duly endorsed all the way up until it got to the top command,

and then it came back down through the channel. And permission was granted to eliminate those papers, providing copies were made of each one. [Laughter]

*Note: The President spoke at 4:43 p.m. at the Hotel Okura. Herbert F. Hayde was the president of the American Chamber of Commerce in Japan and Lawrence F. Snowden was the former chairman of the Asia-Pacific Council of American Chambers of Commerce. A tape was not available for verification of the content of these remarks.*

## Appointment of Eight Members of the United States Holocaust Memorial Council, and Designation of the Chairperson, Vice Chairperson, and Executive Director

May 3, 1986

The President today has announced his intention to appoint the following individuals to be members of the United States Holocaust Memorial Council for terms of 5 years expiring January 15, 1991:

**Elie Wiesel**, of New York. This is a reappointment. The President intends to appoint him as Chairperson for a term of 5 years upon appointment. Dr. Wiesel is currently an Andrew W. Mellon professor of the humanities at Boston University. Dr. Wiesel was educated at the Sorbonne and holds a number of honorary degrees from universities and colleges throughout the world. He is married, has two children, and resides in New York, NY. Dr. Wiesel was born September 30, 1928, in Sighet, Romania.

**Jack Abramoff**, of California. He would succeed Tibor Baranski. Mr. Abramoff is currently vice president of Boardwalk & Associates in Washington, DC. He graduated from Brandeis University (B.A., 1981) and Georgetown University (J.D., 1986). Mr. Abramoff resides in Silver Spring, MD, and he was born February 28, 1958, in Atlantic City, NJ.

**Sylvia K. Hassenfeld**, of Florida. She would succeed Mark Talisman. Mrs. Hassenfeld is currently president of the Hassenfeld Foundation of Hasbro Industries in Pawtucket, RI. She graduated from Cedar Crest College (B.A., 1944). Mrs. Hassenfeld's husband is deceased. She has three children and resides in New York, NY. She was born September 19, 1920, in Philadelphia, PA.

**Marvin G. Kelfer**, of Texas. He would succeed Hyman Bookbinder. Mr. Kelfer is currently president and chairman of the board of Travis Savings & Loan Association in San Antonio, TX. He graduated from the University of Texas at Austin (B.B.A., 1950) and St. Mary's School of Law (LL.B., 1960). Mr. Kelfer is married, has three children, and resides in San Antonio, TX. He was born March 6, 1930, in Chicago, IL.

**Isaac Neuman**, of Illinois. He would succeed Victor Borge. Rabbi Neuman is at Sinai Temple in Champaign, IL. He graduated from the University of Cincinnati (B.A., 1960) and Hebrew Union College (M.A., 1960; B.D., 1985). Rabbi Neuman has two children, resides in Champaign, and was born December 4, 1927, in Zdunska-Wola, Poland.

**Seymour Siegel**, of New York. He would succeed Joseph Asher. Dr. Siegel is currently Ralph Simon professor of ethics and theology at the Jewish Theological Seminary in New York. He graduated from the University of Chicago (B.A., 1958) and the Jewish Theological Seminary (M.A., 1951; Ph.D., 1960).

The President also announced his intention to appoint:

**William J. Lowenberg**, of California, to be Vice Chairperson of the U.S. Holocaust Memorial Council for a term of 4 years.

**Richard Krieger**, to be Executive Director of the U.S. Holocaust Memorial Council. He would succeed Seymour Siegel.



## **Statement by Principal Deputy Press Secretary Speakes on the Soviet Nuclear Reactor Accident at Chernobyl**

**May 4, 1986**

The President's task force on the Soviet nuclear accident is continuing to monitor the situation and to report on the effects of the accident to the President on a regular basis. No increases of radioactivity above normal background levels have been reported by the radiation monitoring networks in the United States or Canada. The airmass containing the radioactivity continues in its present location over much of Europe and a large part of the Soviet Union. The airmass containing radioactivity is not expected to enter any part of the United States for several days and is not expected to pose any threat to human health or environment of the country.

The cause of the accident leading to the explosion at the Chernobyl site is still unknown. The Soviets have claimed that they've used helicopters to drop sand, lead shot, and boron on the fire in unit four in order to reduce the activity level. Apparent damage to the building and detective radioactivity levels in nearby countries suggest that massive core damage must have occurred. We are unable to confirm the Soviet claim that the fire in unit four has been extinguished. There is still no evidence that unit three was involved in the accident.

The Soviets have reported that they evacuated the three towns closest to the Chernobyl reactors. This and other reports of evacuation up to 30 kilometers from the site are consistent with an accident of this magnitude. The Nuclear Regulatory Com-

mission has notified its licensed facilities in the United States to provide monitoring data to the task force to augment EPA's nationwide radiation monitoring system, which is gathering data on an accelerated basis. The United States Government is also making efforts to gather data from several countries surrounding the Soviet Union that could prove essential to evaluating the accident in the absence of information from the Soviet Government.

In addition, we have sent a team of U.S. technicians to Moscow. They arrived in Moscow to begin evaluating health and environment at our missions in the Soviet Union. First results from our monitoring in Warsaw indicates that background radiation levels of roughly twice the normal background levels. This is not to be judged particularly serious. For example, normal levels in Denver are about three times background due primarily to rock and soil makeup.

There is a report on the wires that a Cabinet-level meeting is taking place—Japanese Government in Tokyo regarding increased radiation levels over central Japan from rainfall. We do not have any specific information. We've been in touch with the Japanese Government to confirm these reports and have not yet received any information that we can go on. We do not have any specific monitoring information either.

*Note: Larry M. Speakes read the statement to reporters at 10:55 a.m. in the Heian Room at the Hotel Okura in Tokyo, Japan.*

## **Statement by Principal Deputy Press Secretary Speakes on the Deliberate Destruction of the Delta Rocket**

**May 4, 1986**

Daylight time, 7:18 a.m. Tokyo time this morning, at Cape Canaveral, Florida, a Delta rocket carrying a geostationary oper-

ational environmental satellite—GOES, which is a meteorological satellite—was launched. NASA [National Aeronautics and

Space Administration] has indicated that the satellite was destroyed because of a premature main liquid fuel engine shutdown. The shutdown began at approximately 71 seconds into the flight and concluded at 76 seconds. The loss of the main engine resulted in the loss of control of the Delta vehicle, and the range-destruct signal was given at approximately 91 seconds into the flight. This was done because the system was still under thrust by the solid-rocket booster. At this point of destruction, the vehicle was about 8.5 miles in altitude. Delta rocket lift-off results when six one-piece solid motor strap-on rockets are fired along with the main liquid fuel engine. The solid rockets are manufactured by Morton Thiokol and the main rocket by Rocketdyne, Incorporated. The vehicle itself was produced by McDonnell Douglas.

At 63 seconds into the flight, three separate solid rockets were to fire, and data indicates that they did fire and that they were burning properly. The ignition comes at 8 seconds after the initial six solids burned out. All of this sequencing appears to have been normal; however, the main

engine should have burned until approximately 120 seconds into the flight. As I said, the shutdown was experienced at 71 seconds into the flight, and the destruct was given at 91 seconds into the flight.

The President was informed shortly after the explosion by Chief of Staff Don Regan by telephone. He was awake and reading morning news reports and national security information at the time. The President directed members of his Tokyo party to get in immediate touch with NASA officials in Washington and at Cape Canaveral. The President said he would like to have all information provided to him on a regular basis throughout the day. The Delta rocket has been the mainstay of the U.S. space program for 26 years. There have been 177 prior launches at a 94-percent success rate. The last prior failure of a Delta rocket came on September 13, 1977, when one of the solid strap-ons failed.

*Note: Larry M. Speakes read the statement to reporters at approximately 10:58 a.m. in the Heian Room at the Hotel Okura in Tokyo, Japan.*

## Radio Address to the Nation on the President's Trip to Indonesia and Japan

May 4, 1986

Greetings from Tokyo. I'm here for the 12th annual meeting of 7 major industrialized democracies. I flew here last night after a meeting in Indonesia with some of America's close friends and energetic trading partners. During my stay there, I conferred with President Soeharto of Indonesia on a number of issues of common interest to our countries. President Soeharto has led his country during a period of impressive economic growth. Over the last 15 years the annual increase in Indonesia's gross national product has averaged 6.8 percent. The Indonesian people have reaped the rewards of a higher standard of living.

While in Indonesia I also met with the foreign ministers of six countries which make up the Association of South East Asian

Nations, or ASEAN. Indonesia, Malaysia, Singapore, the Philippines, Thailand, and Brunei have joined together in one of the most successful and admirable regional groupings in the developing world. Our relations with these ASEAN countries exemplify the mutual benefits that can be derived from close and open relations among free and enterprising peoples. Over the last two decades ASEAN countries committed to free trade and open markets have had some of the highest growth rates in the world. Commerce between us has created a host of jobs on both sides of the Pacific. The sound management of their economic affairs enable the ASEAN countries to weather much of the turbulence experienced in other parts of the world.

On the eve of the economic summit here in Tokyo, there was much to talk over with our ASEAN friends. One of the issues of concern to us all, and a subject I expect to discuss in detail at the economic summit, is the growing pressure for protectionism to shut world markets. Unfettered commerce has been a mighty force for growth and prosperity since the close of the Second World War. Our open trading system has kept America efficient and on the cutting edge of technology. While free trade means change and progress, protectionism invariably leads to stagnation and decline. Well, Americans aren't going to be left behind by anyone. But like our friends in ASEAN, we want to make certain that free trade is not a one-way proposition, that markets are open in all countries, and that other governments do not unfairly subsidize their exports. I assured our ASEAN friends that the United States will continue to fight trade-killing protectionism and aggressively pursue open markets and trade that is free and fair. There is no reason to doubt America's ability to compete, no reason to lack confidence in our working men and women and our corporate leaders. When everyone plays with the same rules, our people have what it takes: the ingenuity, the hard work, and the integrity to compete with anyone, anytime, anywhere.

Economic challenges remain. At the summit we will discuss interrelated problems of growth, debt, trade, and finance. The fundamental strength of the economies of our summit partners will be a major focus of our discussions. At the same time, however, we will address the situation of debtor countries. Growth-oriented structural reforms in developing countries and the opening of their economies to international trade and investment is the path to progress. It's up to the industrialized de-

mocracies to lead the way.

The summit will also serve as a forum for discussion of critical noneconomic issues: the environment and terrorism, for example. Poet John Donne once wrote that "No man is an island." Well, when it comes to terrorism, no country is a fortress. The death of innocent people at the hands of terrorists, then, is everybody's business, a threat to the liberty and well-being of all free people. Here in Tokyo I'll be talking with the leaders of the other industrialized democracies about what must be done in response to terrorism, especially state-sponsored terrorism. We must and will stand as one against the enemies of civilization.

Seldom has the interdependence of modern industrial States been more evident than this past week. All Americans, indeed the entire world, sympathize with those affected by the tragedy at Chernobyl. We stand ready, as do many nations, to assist in any way we can. But the contrast between the leaders of free nations meeting at the summit to deal openly with common concerns and the Soviet Government, with its secrecy and stubborn refusal to inform the international community of the common danger from this disaster, is stark and clear. The Soviets' handling of this incident manifests a disregard for the legitimate concerns of people everywhere. A nuclear accident that results in contaminating a number of countries with radioactive material is not simply an internal matter. The Soviets owe the world an explanation. A full accounting of what happened at Chernobyl and what is happening now is the least the world community has a right to expect.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 11:35 a.m. from the Hotel Okura in Tokyo, Japan.*

## **Tokyo Economic Summit Conference Statement: Looking Forward to a Better Future**

**May 5, 1986**

1. We, the Heads of State or Government of seven major industrial nations and the

representatives of the European Community, with roots deep in the civilizations of

Europe and Asia, have seized the opportunity of our meeting at Tokyo to raise our sights not just to the rest of this century but into the next as well. We face the future with confidence and determination, sharing common principles and objectives and mindful of our strengths.

2. Our shared principles and objectives, reaffirmed at past Summits, are bearing fruit. Nations surrounding the Pacific are thriving dynamically through free exchange, building on their rich and varied heritages. The countries of Western Europe, the Community members in particular, are flourishing by raising their cooperation to new levels. The countries of North America, enriched by European and Asian cultures alike, are firm in their commitment to the realization in freedom of human potential. Throughout the world we see the powerful appeal of democracy and growing recognition that personal initiative, individual creativity and social justice are main sources of progress. More than ever we have all to join our energies in the search for a safer and healthier, more civilized and prosperous, free and peaceful world. We believe that close partnership of Japan, North America and Europe will make a significant contribution toward this end.

3. We reaffirm our common dedication to preserving and strengthening peace, and as part of that effort, to building a more stable and constructive relationship between East and West. Each of us is ready to engage in cooperation in fields of common interest. Within existing alliances, each of us is resolved to maintain a strong and credible defence that can protect freedom and deter aggression, while not threatening the security of others. We know the peace cannot be safeguarded by military strength alone. Each of us is committed to addressing East-West differences through high-level dialogue and negotiation. To that end, each of

us supports balanced, substantial and verifiable reductions in the level of arms; measures to increase confidence and reduce the risks of conflicts; and the peaceful resolution of disputes. Recalling the agreement between the United States and the Soviet Union to accelerate work at Geneva, we appreciate the United States' negotiating efforts and call on the Soviet Union also to negotiate positively. In addition to these efforts, we shall work for improved respect for the rights of individuals throughout the world.

4. We proclaim our conviction that in today's world, characterized by ever increasing interdependence, our countries cannot enjoy lasting stability and prosperity without stability and prosperity in the developing world and without the cooperation among us which can achieve these aims. We pledge ourselves afresh to fight against hunger, disease and poverty, so that developing nations can also play a full part in building a common, bright future.

5. We owe it to future generations to pass on a healthy environment and a culture rich in both spiritual and material values. We are resolved to pursue effective international action to eliminate the abuse of drugs. We proclaim our commitment to work together for a world which respects human beings in the diversity of their talents, beliefs, cultures and traditions. In such a world based upon peace, freedom and democracy, the ideals of social justice can be realized and employment opportunities can be available for all. We must harness wisely the potential of science and technology, and enhance the benefits through cooperation and exchange. We have a solemn responsibility so to educate the next generation as to endow them with the creativity befitting the twenty-first century and to convey to them the value of living in freedom and dignity.

## Tokyo Economic Summit Conference Statement on International Terrorism

*May 5, 1986*

1. We, the Heads of State or Government of seven major democracies and the representatives of the European Community, assembled here in Tokyo, strongly reaffirm our condemnation of international terrorism in all its forms, of its accomplices and of those, including governments, who sponsor or support it. We abhor the increase in the level of such terrorism since our last meeting, and in particular its blatant and cynical use as an instrument of government policy. Terrorism has no justification. It spreads only by the use of contemptible means, ignoring the values of human life, freedom and dignity. It must be fought relentlessly and without compromise.

2. Recognizing that the continuing fight against terrorism is a task which the international community as a whole has to undertake, we pledge ourselves to make maximum efforts to fight against that scourge. Terrorism must be fought effectively through determined, tenacious, discreet and patient action combining national measures with international cooperation. Therefore, we urge all like-minded nations to collaborate with us, particularly in such international fora as the United Nations, the International Civil Aviation Organization and the International Maritime Organization, drawing on their expertise to improve and extend countermeasures against terrorism and those who sponsor or support it.

3. We, the Heads of State or Government, agree to intensify the exchange of information in relevant fora on threats and potential threats emanating from terrorist activities and those who sponsor or support them, and on ways to prevent them.

4. We specify the following as measures open to any government concerned to deny to international terrorists the opportunity and the means to carry out their aims, and to identify and deter those who perpetrate such terrorism. We have decided to apply these measures within the framework of international law and in our own jurisdictions in respect of any state which is clearly

involved in sponsoring or supporting international terrorism, and in particular of Libya, until such time as the state concerned abandons its complicity in, or support for, such terrorism. These measures are:

- refusal to export arms to states which sponsor or support terrorism;
- strict limits on the size of the diplomatic and consular missions and other official bodies abroad of states which engage in such activities, control of travel of members of such missions and bodies, and, where appropriate, radical reductions in, or even the closure of, such missions and bodies;
- denial of entry to all persons, including diplomatic personnel, who have been expelled or excluded from one of our states on suspicion of involvement in international terrorism or who have been convicted of such a terrorist offence;
- improved extradition procedures within due process of domestic law for bringing to trial those who have perpetrated such acts of terrorism;
- stricter immigration and visa requirements and procedures in respect of nationals of states which sponsor or support terrorism;
- the closest possible bilateral and multilateral cooperation between police and security organizations and other relevant authorities in the fight against terrorism.

Each of us is committed to work in the appropriate international bodies to which we belong to ensure that similar measures are accepted and acted upon by as many other governments as possible.

5. We will maintain close cooperation in furthering the objectives of this statement and in considering further measures. We agree to make the 1978 Bonn Declaration more effective in dealing with all forms of terrorism affecting civil aviation. We are ready to promote bilaterally and multilaterally

ally further actions to be taken in international organizations or fora competent to

fight against international terrorism in any of its forms.

## **Tokyo Economic Summit Conference Statement on the Soviet Nuclear Reactor Accident at Chernobyl**

*May 5, 1986*

1. We, the Heads of State or Government of seven major industrial nations and the Representatives of the European Community, have discussed the implications of the accident at the Chernobyl nuclear power station. We express our deep sympathy for those affected. We remain ready to extend assistance, in particular medical and technical, as and when requested.

2. Nuclear power is and, properly managed, will continue to be an increasingly widely used source of energy. For each country the maintenance of safety and security is an international responsibility, and each country engaged in nuclear power generation bears full responsibility for the safety of the design, manufacture, operation and maintenance of its installations. Each of our countries meets exacting standards. Each country, furthermore, is responsible for prompt provision of detailed and complete information on nuclear emergencies and accidents, in particular those with potential transboundary consequences. Each of our countries accepts that responsibility,

and we urge the Government of the Soviet Union, which did not do so in the case of Chernobyl, to provide urgently such information, as our and other countries have requested.

3. We note with satisfaction the Soviet Union's willingness to undertake discussions this week with the Director-General of the International Atomic Energy Agency (IAEA). We expect that these discussions will lead to the Soviet Union's participation in the desired post-accident analysis.

4. We welcome and encourage the work of the IAEA in seeking to improve international cooperation on the safety of nuclear installations, the handling of nuclear accidents and their consequences, and the provision of mutual emergency assistance. Moving forward from the relevant IAEA guidelines, we urge the early elaboration of an international convention committing the parties to report and exchange information in the event of nuclear emergencies or accidents. This should be done with the least possible delay.

## **Tokyo Economic Summit Conference Declaration**

*May 6, 1986*

1. We, the Heads of State or Government of seven major industrialized countries and the representatives of the European Community, meeting in Tokyo for the 12th Economic Summit, have reviewed developments in the world economy since our meeting in Bonn a year ago and have reaffirmed our continuing determination to work together to sustain and improve the prosperity and well-being of the peoples of our own countries, to support the develop-

ing countries in their efforts to promote their economic growth and prosperity, and to improve the functioning of the world monetary and trading systems.

2. Developments since our last meeting reflect the effectiveness of the policies to which we have committed ourselves at successive Economic Summits in recent years. The economies of the industrialized countries are now in their fourth year of expansion. In all our countries, the rate of infla-

tion has been declining. With the continuing pursuit of prudent fiscal and monetary policies, this has permitted a substantial lowering of interest rates. There has been a significant shift in the pattern of exchange rates which better reflects fundamental economic conditions. For the industrialized countries, and indeed for the world economy, the recent decline in oil prices will help to sustain non-inflationary growth and to increase the volume of world trade, despite the difficulties which it creates for certain oil-producing countries. Overall, these developments offer brighter prospects for, and enhance confidence in, the future of the world economy.

3. However, the world economy still faces a number of difficult challenges which could impair sustainability of growth. Among these are high unemployment, large domestic and external imbalances, uncertainty about the future behaviour of exchange rates, persistent protectionist pressures, continuing difficulties of many developing countries and severe debt problems for some, and uncertainty about medium-term prospects for the levels of energy prices. If large imbalances and other distortions are allowed to persist for too long, they will present an increasing threat to world economic growth and to the open multilateral trading system. We cannot afford to relax our efforts. In formulating our policies, we need to look to the medium and longer term, and to have regard to the interrelated and structural character of current problems.

4. We stress the need to implement effective structural adjustment policies in all countries across the whole range of economic activities to promote growth, employment and the integration of domestic economies into the world economy. Such policies include technological innovation, adaptation of industrial structure and expansion of trade and foreign direct investment.

5. In each of our own countries, it remains essential to maintain a firm control of public spending within an appropriate medium-term framework of fiscal and monetary policies. In some of our countries there continue to be excessive fiscal deficits which the governments concerned are re-

solved progressively to reduce.

6. Since our last meeting we have had some success in the creation of new jobs to meet additions to the labour force, but unemployment remains excessively high in many of our countries. Non-inflationary growth remains the biggest single contributor to the limitation and reduction of unemployment, but it needs to be reinforced by policies which encourage job creation, particularly in new and high-technology industries, and in small businesses.

7. At the same time, it is important that there should be close and continuous co-ordination of economic policy among the seven Summit countries. We welcome the recent examples of improved coordination among the Group of Five Finance Ministers and Central Bankers, which have helped to change the pattern of exchange rates and to lower interest rates on an orderly and non-inflationary basis. We agree, however, that additional measures should be taken to ensure that procedures for effective coordination of international economic policy are strengthened further. To this end, the Heads of State or Government:

- agree to form a new Group of Seven Finance Ministers, including Italy and Canada, which will work together more closely and more frequently in the periods between the annual Summit meetings;

- request the seven Finance Ministers to review their individual economic objectives and forecasts collectively at least once a year, using the indicators specified below, with a particular view to examining their mutual compatibility;

With the representatives of the European Community:

- state that the purposes of improved co-ordination should explicitly include promoting non-inflationary economic growth, strengthening market-oriented incentives for employment and productive investment, opening the international trading and investment system, and fostering greater stability in exchange rates;

- reaffirm the undertaking at the 1982 Versailles Summit to cooperate with the IMF in strengthening multilateral surveillance, particularly among the countries whose currencies constitute the SDR, and

request that, in conducting such surveillance and in conjunction with the Managing Director of the IMF, their individual economic forecasts should be reviewed, taking into account indicators such as GNP growth rates, inflation rates, interest rates, unemployment rates, fiscal deficit ratios, current account and trade balances, monetary growth rates, reserves, and exchange rates;

—invite the Finance Ministers and Central Bankers in conducting multilateral surveillance to make their best efforts to reach an understanding on appropriate remedial measures whenever there are significant deviations from an intended course; and recommend that remedial efforts focus first and foremost on underlying policy fundamentals, while reaffirming the 1983 Williamsburg commitment to intervene in exchange markets when to do so would be helpful.

The Heads of State or Government:

—request the Group of Five Finance Ministers to include Canada and Italy in their meetings whenever the management or the improvement of the international monetary system and related economic policy measures are to be discussed and dealt with;

—invite Finance Ministers to report progress at the next Economic Summit meeting.

These improvements in coordination should be accompanied by similar efforts within the Group of Ten.

8. The pursuit of these policies by the industrialized countries will help the developing countries in so far as it strengthens the world economy, creates conditions for lower interest rates, generates the possibility of increased financial flows to the developing countries, promotes transfer of technology and improves access to the markets of the industrialized countries. At the same time, developing countries, particularly debtor countries, can fit themselves to play a fuller part in the world economy by adopting effective structural adjustment policies, coupled with measures to mobilize domestic savings, to encourage the repatriation of capital, to improve the environment for foreign investment, and to promote more open trading policies. In this connection, noting in particular the difficult

situation facing those countries highly dependent on exports of primary commodities, we agree to continue to support their efforts for further processing of their products and for diversifying their economies, and to take account of their export needs in formulating our own trade and domestic policies.

9. Private financial flows will continue to play a major part in providing for their development needs. We reaffirm our willingness to maintain and, where appropriate, expand official financial flows, both bilateral and multilateral, to developing countries. In this connection, we attach great importance to an early and substantial eighth replenishment of the International Development Association (IDA) and to a general capital increase of the World Bank when appropriate. We look for progress in activating the Multilateral Investment Guarantee Agency.

10. We reaffirm the continued importance of the case-by-case approach to international debt problems. We welcome the progress made in developing the cooperative debt strategy, in particular building on the United States initiative. The role of the international financial institutions, including the multilateral development banks, will continue to be central, and we welcome moves for closer cooperation among these institutions, and particularly between the IMF and the World Bank. Sound adjustment programmes will also need resumed commercial bank lending, flexibility in rescheduling debt and appropriate access to export credits.

11. We welcome the improvement which has occurred in the food situation in Africa. Nonetheless a number of African countries continue to need emergency aid, and we stand ready to assist. More generally, we continue to recognize the high priority to be given to meeting the needs of Africa. Measures identified in the Report on Aid to Africa adopted and forwarded to us by our Foreign Ministers should be steadily implemented. Assistance should focus in particular on the medium- and long-term economic development of these countries. In this connection we attach great importance to continued cooperation through the Special Facility for Sub-Saharan African countries,



early implementation of the newly established Structural Adjustment Facility of the IMF and the use of the IDA. We intend to participate actively in the forthcoming United Nations Special Session on Africa to lay the foundation for the region's long-term development.

12. The open multilateral trading system is one of the keys to the efficiency and expansion of the world economy. We reaffirm our commitment to halting and reversing protectionism, and to reducing and dismantling trade restrictions. We support the strengthening of the system and functioning of the GATT, its adaptation to new developments in world trade and to the international economic environment, and the bringing of new issues under international discipline. The New Round should *inter alia*, address the issues of trade in services and trade related aspects of intellectual property rights and foreign direct investment. Further liberalization of trade is, we believe, of no less importance for the developing countries than for ourselves, and we are fully committed to the preparatory process in the GATT with a view to the early launching of the New Round of multilateral trade negotiations. We shall work at the September Ministerial meeting to make decisive progress in this direction.

13. We note with concern that a situation of global structural surplus now exists for some important agricultural products, arising partly from technological improvements, partly from changes in the world market situation, and partly from longstanding policies of domestic subsidy and protection of agriculture in all our countries. This harms the economies of certain developing countries and is likely to aggravate the risk of wider protectionist pressures. This is a problem which we all share and can be dealt with only in cooperation with each other. We all recognize the importance of agriculture to the well-being of rural communities, but we are agreed that, when there are surpluses, action is needed to redirect policies and adjust structure of agricultural production in the light of world demand. We recognize the importance of understanding these issues and express our determination to give full support to the work of the OECD in this field.

14. Bearing in mind that the recent oil price decline owes much to the cooperative energy policies which we have pursued during the past decade, we recognize the need for continuity of policies for achieving long-term energy market stability and security of supply. We note that the current oil market situation enables countries which wish to do so to increase stock levels.

15. We reaffirm the importance of science and technology for the dynamic growth of the world economy and take note, with appreciation, of the final report of the Working Group on Technology, Growth and Employment. We welcome the progress made by the United States Manned Space Programme and the progress made by the autonomous work of the European Space Agency (ESA). We stress the importance for genuine partnership and appropriate exchange of information, experience and technologies among the participating states. We also note with satisfaction the results of the Symposium on Neuroscience and Ethics, hosted by the Federal Republic of Germany and we appreciate the decision of the Canadian Government to host the next meeting.

16. We reaffirm our responsibility, shared with other governments, to preserve the natural environment, and continue to attach importance to international cooperation in the effective prevention and control of pollution and natural resources management. In this regard, we take note of the work of the environmental experts on the improvement and harmonization of the techniques and practices of environmental measurement, and ask them to report as soon as possible. We also recognize the need to strengthen cooperation with developing countries in the area of the environment.

17. We have agreed to meet again in 1987 and have accepted the invitation of the President of the Council of the Italian Government to meet in Italy.

*Note: Prime Minister Yasuhiro Nakasone of Japan read the declaration at the Hotel New Otani. Also present were President Reagan, President François Mitterrand of France, Prime Minister Margaret Thatcher of the*

*United Kingdom, Prime Minister Brian Mulroney of Canada, Prime Minister Bettino Craxi of Italy, Chancellor Helmut Kohl of the Federal Republic of Germany, Jacques Delors, President of the Commission of the*

*European Communities, and Prime Minister Rudolphus Franciscus Maria Lubbers of the Netherlands, President of the Council of the European Communities.*

## Statement by Principal Deputy Press Secretary Speakes on Arms Sales to Saudi Arabia

May 6, 1986

This week Congress will turn to consideration of a missile sale to Saudi Arabia. On April 8 President Reagan notified the Congress of his intent to sell these air and sea defense missiles to the Saudis. These weapons are not new to Saudi Arabia; all have been sold previously and are already in the Saudi inventory.

The United States has vital interests in the Persian Gulf. They include supporting the security of friendly moderate States, countering radical forces, preventing Soviet expansion, and maintaining the free flow of oil. The sale will protect and advance our own interests in the following specific ways:

- It supports Saudi air defense into the 1990's.
- It continues a bilateral security relationship which has been supported by every President since Franklin D. Roosevelt and which remains the key to Gulf defense, to cooperation throughout the region, and to the search for peace.
- Completing the sale now, even though the missiles will not be delivered for several years, makes clear that we support Saudi self-defense.

The missile numbers have been calculated by the U.S. Air Force as necessary to meet realistic threat projections in the period when they will be delivered. They

present no threat to Israel and in no way undercut the absolute determination of the United States to preserve Israel's qualitative military edge in the region. These missiles are subject to stringent security safeguards. The Saudis have an outstanding record in this regard and have never allowed any U.S. weapon to fall into unauthorized hands. Moreover, if the United States fails to help the Saudis in this important area, they are certain to get the weapons they need from other sources who are unlikely to share America's concern for Israel's security.

The United States and Saudi Arabia have many similar interests beyond the Gulf, and our actions are often mutually supportive. They have helped in U.S. efforts to support moderate governments in Egypt, Jordan, and Sudan, and have worked quietly in the search for peace in Lebanon, in the Arab-Israeli conflict, and in the Iran-Iraq war. We are engaged in a critical struggle against Libyan-supported state terrorism. Saudi Arabia has consistently worked behind the scenes to discourage terrorism from any source.

Saudi Arabia is a firm friend of the United States. Our own interests require us to help Saudi Arabia meet its legitimate security needs in the face of growing regional threats. Therefore, the President strongly urges the Congress to support this important sale.

## The President's News Conference May 7, 1986

*The President.* Good morning. I have a few words first here before taking questions. It's no exaggeration to describe the Tokyo summit as the most successful of the six that I have attended. The atmosphere was cordial, the talks were candid and constructive, and a strong measure of allied unity on the fundamental issues of our agenda was achieved. All we sought to accomplish at the summit was achieved.

This triumph at Tokyo was due in no small measure to the leadership of Prime Minister Nakasone. The Summit Seven agreed upon the menace posed by the scourge of international terror and upon new political and diplomatic measures to deal with it. We agreed that the Libya of Colonel Qadhafi represents a unique threat to free peoples, a rogue regime that advances its goals through the murder and maiming of innocent civilians.

We arrived at this summit as a rising tide of prosperity in the industrial democracies was demonstrating to the world the wisdom of the free market policies that we've pursued. And together we committed ourselves in Tokyo to strengthen those policies when we return home. For developing countries as well, as a robust and free Asia demonstrates, the principles of the free market are more important to progress than any level of economic aid.

On the emerging issue of agricultural overproduction, it was agreed that the primary cause of the worldwide surpluses of food and fiber is domestic government policies that must be addressed. One danger to the common prosperity we all recognize is the specter of protectionism—that vain search for security behind tariff walls and inside closed markets. History has proved again and again the fallacy of that reasoning and the folly of protectionism. In Tokyo we have obtained a green light for the commencement of a new round of trade negotiations beginning in September. The way to resolve trade problems is to seek open, not closed, markets; to seek multilateral negotiation, not unilateral legislation.

We made progress in strengthening economic policy coordination with our summit partners. This will help reduce trade imbalances by tackling their underlying causes and promote greater exchange rate stability. We also believe this will result in greater stability in the yen-dollar relationship, something both the United States and Japan desire. We also won an endorsement for the U.S. initiative for a joint debt strategy for developing nations.

And, finally, as events of the past week starkly demonstrate, we need more openness on nuclear accidents. A breakdown at a nuclear powerplant that sends radioactive material across national frontiers is not simply an internal problem.

But let me now thank our Japanese hosts, and in particular Prime Minister Nakasone. They put up with the inconvenience that thousands of summiteering politicians, bureaucrats, and press must have caused them with unfailing courtesy and graciousness; and we are in their debt.

Now—

### *Terrorism*

*Q.* Mr. President, you came to Tokyo saying that you didn't want a grandiose statement on terrorism, you wanted action. Now you have your statement, but your fellow summit leaders say that nothing really has changed. What actions do you expect, if any?

*The President.* Well, I find it difficult to believe that the people that I've been meeting with, the heads of state, would have indicated anything otherwise; because what we have agreed upon is that terrorism is a threat to all of us. It is an attack upon the world. The determination of terrorists who murder and maim innocent people in pursuit of some political goal, and that the way to deal with it is not individually or unilaterally but to deal with it together. And this was the sense of the agreement that we arrived at, that we are going to act together with regard to opposing terrorism, to isolate those States that provide support

for terrorism, to isolate them and make them pariahs on the world scene, and even, if possible, to isolate them from their own people.

*Q.* If I may follow up, sir. There were no sanctions or joint actions specified. Could you tell us what action you do expect?

*The President.* We discussed at great length specific actions and all. But the statement was one to simply say that we together will decide upon what is appropriate, depending on the acts, what is the most effective thing to do in the instance of further terror incidents. And we didn't think that it was, perhaps, useful to put all of that into a public statement, telling the terrorists exactly what it was we intended to do.

Helen [Helen Thomas, United Press International]?

*Q.* Mr. President, there are reports that you are preparing a missile attack—another round—against Libya with conventional warheads. Do you think that the summit statement on terrorism gives you a license to bomb any country that you suspect is harboring terrorists?

*The President.* Well, Helen, I have to tell you, I read that little item myself this morning. No one was more surprised to hear that I was planning that than I was—[laughter]—because I'm not planning that. As I said, we'll work together on these things. But we do feel—and this was part of the gist of the conversation that we all had and the agreements that we came to—and that is that we can take whatever action is necessary to curb, to stop, and to punish, if they are successful in a terrorist attempt, those who practice terrorism and the States who back and support it.

*Q.* Well, is the United States so bereft that it has to drop tons of bombs on a country to get one man?

*The President.* Again, you touch upon something where military action is deemed necessary. I'm not going to discuss that, because I think it would be counterproductive to do so. But we weren't out, in the sense of getting one man—that we were dropping those tons of bombs hoping to blow him up. I don't think any of us would have shed tears if that had happened. But we were out to damage and destroy those facilities that were making it possible for that par-

ticular State under his guidance to back and support terrorism.

Sam [Sam Donaldson, ABC News]?

*Q.* Sir, a moment ago you talked about people who commit terrorist acts in pursuit of a political goal. Do you really think you're going to stop that kind of action until you deal with the root causes of terrorism? Your Secretary of State seems to suggest, or at least indicate, that it's just a question of people who are thugs. Where is the emphasis on trying to revive the Middle East peace process? Where is the emphasis on trying to settle the Palestinian problem? Has there been any?

*The President.* All of those things are still goals of ours, and we're still doing everything we can to arrive at solutions. But, Sam, I think that's the same thing as the cliché line that is going around that, well, one man's terrorist is another man's freedom fighter. No such thing. The people that are customarily called freedom fighters are fighting against organized military forces. Even if it is a civil war, it is a war. Terrorists, as I said before, are people who deliberately choose as a target to murder and maim innocent people who have no influence upon the things that they think of as their political goals. And, therefore, those people must be treated as to what they are, and that is they are base criminals.

#### *Soviet Nuclear Reactor Accident*

*Q.* Mr. President, the Soviets have now admitted that they miscalculated the accident at Chernobyl in the first few days. Their officials complain that your focus has not been on sympathy for that great tragedy that their country has suffered, but that you're more focused on bashing their system and their country and taking advantage of this tragedy. What's your response?

*The President.* Well, my response is that our first response when word came to us—and not as information directly from them, but that there had been such a thing happen there—was an offer of any kind and every kind of aid that might be helpful to them. And certainly an expression of sympathy went with that for those who might have suffered in the accident. Since then, the effort—for a limited period at least—to

cover up and confuse the issue, we think, was the wrong way to go. We're not bashing at all. We're simply citing the need for any one of us, if that happens, to let the neighbors know that they may be threatened as the outcome of this. But I am pleased to say that in the last few days there has been a change, and the Soviet Union has been more forthcoming about this with regard to getting information and so forth.

*Soviet-U.S. Summit Meeting*

*Q.* Have you heard from Mr. Gorbachev? Have you received a message from him saying that he still wants to have a summit with you this year?

*The President.* No, I have not received such a direct message. On the other hand, I haven't received anything that said he has changed his mind and that we won't have a summit.

Wait a minute. There is Gary.

*U.S. Trade Deficit*

*Q.* Mr. President, as a result of this summit meeting, how soon can we expect the \$150 billion trade deficit of the United States to come down?

*The President.* Well, I don't think that I could put a time on that, but I think that we did things at this summit that are dealing with that kind of problem and are going to do our utmost to see that markets are opened and trade restrictions are removed. That was one of the prominent subjects here and one in which will be treated with the forthcoming GATT rounds.

Now, Gary [Gary Schuster, CBS News].

*U.S. Oil Companies in Libya*

*Q.* Mr. President, do you have a deadline in mind for U.S. companies—especially the oil firms—to get out of Libya?

*The President.* Yes, we have told those that have a share in oil firms in Libya—there are none of them, I think, a majority owner—that they are to dispose of their holdings by June 30th.

Andrea [Andrea Mitchell, NBC News]?

*Terrorism*

*Q.* Mr. President, you and Mrs. Thatcher worked so hard to get Libya mentioned in

the summit declaration. Syrian President Assad has said that there should be more terrorist acts against Israel. Why did you not work to get Syria mentioned as a terrorist-sponsoring state?

*The President.* Well, right now the one state on which we all have irrefutable evidence of their support of terrorist acts—indeed, we had intelligence information that knows in advance of 35 planned operations backed by them. So, we tagged them. What we have made plain is that if we have the same kind of irrefutable evidence with regard to other countries, they will be subject to the same treatment.

Chris [Chris Wallace, NBC News]?

*Q.* Mr. President, I'd like to go back to the terrorism statement signed at the summit. The leaders did agree to some specific actions. Most of them are things that they are already doing, but they explicitly decided not to endorse either economic sanctions or military action. Are you saying that there were some secret agreements and that they have approved economic sanctions or military action?

*The President.* I am saying that in our discussions leading to what we really wanted to accomplish—and that was a recognition that instead of each one of us treating with this alone, we are going to treat with it on a united front. And in those discussions we discussed all the things that could be seen as possible tools or weapons in this war against terrorism, but we didn't feel that this was something that you put down in a plan. You then treat with an incident in which we all come together and say, "Now, what are the things here that we think are the most effective to use?"

*Q.* But, sir, if I might, were there any commitments made? The French and the Japanese are already saying they don't view this summit statement as binding. They'll decide to do whatever they want to do.

*The President.* Well, as far as I know, seven heads of state agreed to a statement that said that we believe the way to deal with terrorism is on a unified front, that we're in this all together.

Now, Bill [Bill Plante, CBS News], and then you.

### *SALT Treaty Restraints*

*Q.* Mr. President, there are those in the administration who say that a decision has been made to take two Poseidon submarines out of service to observe the limits of the SALT treaty, the unratified treaty, when that deadline comes around. Can you tell us if you have made the decision, or if it's imminent, and if, when you do make it, and if you do do that, if you're going to say that you're going the extra mile once again?

*The President.* No decision has been made. And with regard to the two submarines you mentioned, I might tell you that no decision was made there either. But a decision has to be made that has nothing to do with the SALT treaty restraints. The thing is a practical question of whether it is better, economically and for our strength, to try to refurbish two aging submarines or whether to put them out of action simply because they are no longer, and their life-span is so short. And we haven't made the decision on either one of those things yet.

*Q.* But it sounds like you're not going to characterize it, sir, as going the extra mile to keep on observing the SALT treaty if you do that.

*The President.* No. As I say, no decision has been made on either one of these two things.

Here, and then you.

### *Human Rights*

*Q.* Mr. President, when you were in Indonesia, what did you tell President Soeharto about the human rights situation there? And as a followup, what would you like the Secretary of State to carry in the way of a human rights message to South Korea when he goes there today?

*The President.* Well, I have to say with regard to my conversations with Soeharto—and I've always believed this with regard to human rights things and anyone we're talking with—I've found that it's far more productive if quiet diplomacy is practiced and if you simply discuss those things in private. So, I won't refer to that. I will call attention to the fact, though, that with all of the criticisms that are being made, and particularly since the issue of whether some reporters could or could not land, the progress that has been made by Indonesia, the fact that

they have become totally self-sufficient in providing food for their 165 million people, a number of things of this kind, the economic growth. He has much to be proud of and the record that has been established by his government.

*Q.* Well, as a followup, sir. If you won't tell us what you discussed, can you say whether you brought the subject up? And again on South Korea, with the Secretary going there today, will those be discussed?

*The President.* Well, I haven't had time to talk to the Secretary of State, or he to me, about what he's going to be discussing there in South Korea.

Now, wait. I recognize this gentleman right here. You, you. Yes.

*Q.* Mr. President—

*The President.* Then I'll take you.

### *Terrorism*

*Q.* You say the allies have signed a statement pledging joint action on terrorism. Does that mean that precludes unilateral American military action in the event of a terrorist attack? And a followup to an earlier question: What exactly is the state of the solution to the Middle East problem, the Palestinian problem?

*The President.* Let me just say that with regard to the first question, no, there wasn't anything in there in which we said that we would try to preclude some nation from acting. We simply said that it shouldn't be dependent on a single nation to try and find an answer, that all of us were united, that this was an attack against all of us.

Now, second part of your question?

### *Palestinians*

*Q.* Was the Palestinian crisis, sir. Any progress at all on that?

*The President.* Well, look, we continue to try and have tried to be helpful in bringing about peace negotiations in the Middle East. And we have stated from the first and still state that the solution to the Palestinian problem must be a part of any peace settlement. We haven't retreated from that.

Yes.

*Q.* Mr. President—

*The President.* No, the young lady.

### *Tax Reform Legislation*

*Q.* Mr. President, while you've been here, you've been losing ground in the Senate. The Senate voted against arm sales to the Saudis, and the Senate tax committee has approved a plan that abolishes capital gains and does quite a few other things that you said you're not for. What are you going to do about it?

*The President.* Well, let them just wait till the old man gets home—[laughter]—and see what happens to 'em.

*Q.* Exactly, on taxes, what part of what the Senate committee is doing are you going to try to change?

*The President.* On the tax reform? Well, there are a few things in there I've got some questions about, but haven't had time to really study in depth with all that's been going on here. I have to tell you that, overall, I think the Senate Finance Committee's tax plan basically meets the four requirements that I had always set down for a tax reform. And I find that, overall, it is far superior to the Congress version—or the House version. And I think that, very likely, I can find myself supporting the Senate committee's version. I hope it comes out to the floor. As a matter of fact, there's a possibility it may have, and they may be voting on it right now.

Now, here.

### *Economic Sanctions Against Libya*

*Q.* Mr. President, in your discussion with the allied leaders, did they tell you of any specific, new economic measures they plan to take shortly against Libya? And if they did, how soon?

*The President.* Well, again, I would be violating a confidence. All of them were talking about their problems, their relationship with Libya; and many of them were making suggestions as to what they thought they were going to do. But I don't think that I should be quoting them or making that public, because those were in private conversations.

Now I have to come to this side for a while.

### *Terrorism*

*Q.* Mr. President, as you know, your government has information suggesting that

the perpetrator of the Berlin disco bombing got the explosives from the Syrians. Do you intend the agreement that you all signed here this week as a warning to the Syrian Government as well as to the Libyan Government?

*The President.* We think that this agreement that we signed, yes, is one that is saying to those other countries which there's reason to suspect have if not openly supported, certainly not discouraged terrorism coming from their countries. We intend this to make them think also and realize that they're covered by this agreement, that they will have to face all of us united if we get evidence that they are doing this.

*Q.* If I could follow up, sir. Do the various enforcement measures contained in the statement apply to suspected terrorists of other countries, other than Libya? For instance, if Washington or London were to expel, say, three Syrian diplomats for alleged terrorist activity, would Paris be required to deny them diplomatic status as well?

*The President.* Well, here again is a decision that would then be made by all of us. And as a matter of fact, without waiting for incidents in a particular locale—whether to start at least reducing their personnel or sending them home entirely, that is a decision that we will all make. And that is one of the things that needs to be done.

*Q.* Mr. President, you and Mrs. Thatcher managed in 1984 to get through a statement on terrorism that, at the time, you considered quite forceful. And yet the incidents of terrorism increased, and you didn't get cooperation on the April 15th raid. Is there any reason to think that this time it would be different, that the allies would be willing to do what they seemed to be unwilling to do the last time after passing a declaration like this?

*The President.* I think there is reason to believe that because we have all seen the evidence and we've all seen the fact that the victims of the terrorist attacks and the place where the attacks take place are such that almost any incident involves more than one country to begin with, that they—as I said last year, together with sharing intelligence with other countries, we were able to

abort 126 planned terrorist acts.

Now we, as I say, have evidence ourselves of 35 planned attacks, but they're in a number of countries. And in many instances, however, the targets would be specifically Americans, but in other countries. The incident in France—and I had to congratulate President Mitterrand on it—they discovered this incident that was to take place very shortly. And this was when they expelled the members. It was for this reason. Through the Libyan organization that they—they don't use the word "embassy," but it amounts to that in Paris—weapons had been provided to terrorists who were then going to set up—and outside the American Embassy where people line up to go in and get visas to come to America. Those aren't Americans. They don't need visas if they're Americans. So those innocent people of whatever nationality, probably predominantly French, were going to be mowed down with small-arms fire and hand grenades. And that was aborted, and they sent the diplomats home and are sending additional ones home. But, again, it reveals that we all have come to an awareness that we're all targets.

*France-U.S. Relations*

*Q.* Mr. President, you compared our rela-

tionship with France to a marriage that can have some problems. Well, do you think the next time we need French airspace they're going to say yes, or are we headed for a divorce? [Laughter]

*The President.* Well, that's one of the wonderful things that came out of this summit. There may and will, I'm quite sure, be differences here and there between countries on a method or what to do. But I don't see a divorce in the offing. I think the marriage is happier than I've ever seen it. As a matter of fact, people who have been more familiar—or familiar with more summits than I have—said the same thing that I have said. Of all the six I've attended, I never have attended one in which the sense of unity and the cordiality between us in—whatever differences, they were more of how to accomplish something than whether to accomplish something. And we are all going home pretty much inspired by that.

*Ms. Thomas.* Thank you, Mr. President.

*Q.* Mr. President—

*The President.* I'm sorry. Helen has given me the word. The time is up for you.

*Note: The President's 36th news conference began at 10:02 a.m. in the Heian Room at the Hotel Okura in Tokyo, Japan. It was broadcast live on nationwide radio and television.*

## Remarks Upon Returning From the Trip to Indonesia and Japan May 7, 1986

*The President.* Well, thank you all. Nancy and I appreciate you coming out here to welcome us home. Before I bring you up-to-date on the economic summit, I'd like to turn a minute to my good will ambassador. Nancy used the opportunity of this Pacific trip to take her fight against drug abuse to Thailand and Malaysia. And I'm very proud of the award that was presented to Nancy by the people in Thailand in recognition of her dedication. She's really special to me, too. I understand that she has a presentation. I understand that Nancy has a presentation of her own to make, so here's my

special ambassador of good will.

*Mrs. Reagan.* Thank you. All the young people that you see over there are from the Martin Luther King School. And before we left for Tokyo, they gave to me some letters to be delivered to their sister school in Tokyo and a mural, which I did. And they were very, very happy to receive them, and they sent back a lot of letters to you and this mural which I wanted you to see and everybody else to see. And they hope that this will be the beginning of a long friendship and relationship between the two schools and you and them and a lasting



friendship. So, I was very happy to do it, and they were very happy to receive your letters and your mural. Thank you.

*The President.* Well, prior to leaving, I talked about the winds of freedom, about the resurgence of democracy throughout the world and the solidarity among free people. We returned from Asia more confident than ever that the future is on the side of the free. Today the leading powers of the free world are united in purpose and steadfast in their resolve. In Tokyo we looked each other in the eye, discussed the challenges we face, and reached understandings that will serve the cause of our mutual security, freedom, and prosperity. The seven major democracies represented in Tokyo set out a unified course on a number of vital issues.

Terrorism, as expected, was high on the agenda. Our unarmed citizens have been murdered, victimized by cowardly attacks that if permitted to continue, threaten not only the flow of trade and travel but the very fabric of our free societies. I am more than pleased by the commitments made in Tokyo by our summit partners in this regard. Our nations, acting together, have enormous diplomatic, economic, and military power. We agreed the time has come to move beyond words and rhetoric. Terrorists and those who support them, especially governments, have been put on notice. It's going to be tougher from now on. The decent people of the world—as is clear from our statement in Tokyo—are not just standing together in this war against terrorism. We're committed to winning the war and wiping this scourge from the face of the Earth.

The late Ludwig von Mises, a free—or a preeminent, I should say, free market economist, once said: "People must fight for something that they want to achieve, not simply reject an evil." Well, our meetings in Tokyo reflected both struggle and triumph. We sought and reached a consensus as to the best path to our sustaining noninflationary economic growth. High taxes, redistribution, and central planning are not the way to a better life. For the last 5 years ours has been a program of low tax rates, high growth, and free enterprise; and it's worked.

There are those in less than free societies who would like to think that self-interest makes it impossible for democratic peoples to cooperate. The triumph in Tokyo refutes that cynicism. Summit members, in an extraordinary display of unity, agreed to a number of significant economic initiatives. We, for example, agreed to improve the international monetary system through greater interaction between our governments. We reached an understanding that trade imbalance questions and exchange rate stability, very tangible issues, would not be dealt with as isolated occurrences, but as manifestations of fundamental economic goals and policies. We established a new framework for strengthening effective coordination of international economic policy.

Subsidized agricultural production, a primary cause of the world's surpluses of food and fiber and a politically sensitive area, was seen as an emerging issue of great importance, and we discussed it with candor. We spent more time on this than any other economic issue. In the end we agreed to further analysis and discussion. It was a modest step, but perhaps the historic step toward the day when our farmers can sell their products at a competitive price anywhere in the world.

A high degree of unity was evident in a number of crucial economic questions. The U.S. program to deal with the large foreign debt in the developing world by encouraging high private sector growth received strong support, and the need for a new round of trade talks with an early launch following the September ministerial received a strong endorsement.

World trade—keeping it free and fair—is a major challenge not only of the Western democracies but also the developing world. Prior to the Tokyo summit I met with representatives of the six member nations of ASEAN, the Association of South East Asian Nations. They agreed with me on the necessity of keeping markets open and getting world trade flowing. The ASEAN countries are supportive of a new round of trade talks and of a program of growth-oriented policies to solve the debt problem in the Third World. My meetings with the representa-

tives of ASEAN gave me a chance to bring their concerns to Tokyo. It also permitted me the opportunity to confirm our ties with the industrious people of the Pacific rim. The United States is a Pacific rim country and will most certainly continue to play an important role in events in the Pacific.

That the economic summit was held in Tokyo was fortuitous. There in Japan, East truly does meet West. A land of beauty, culture, energy, and enterprise. Today the interests of free people are no longer East or West, North or South, but instead are global and universal. Free people everywhere of every culture share a bond of the

spirit and of the soul. We all have an interest in peace, the rights of man, and in the well-being of everyone who lives on this planet. We reconfirmed that in Tokyo.

Well, again, we both thank you for coming out to welcome us home. It means a lot to us, and it certainly is good to be back in the good old U.S.A.! Thank you again. God bless you all.

*Note: The President spoke at 1:50 p.m. at the South Portico of the White House to administration officials, members of the White House staff, and visiting schoolchildren.*

## Statement on the Soviet-United States Nuclear and Space Arms Negotiations

May 7, 1986

Tomorrow marks the opening of round five of the nuclear and space talks in Geneva (NST). Our overriding priority in these negotiations is the achievement of deep, equitable, and verifiable reductions in the nuclear arsenals of the United States and U.S.S.R. and the strengthening of strategic stability. Through agreements on such reductions, we seek to achieve a safer world and to work toward our ultimate goal of eliminating all nuclear weapons.

The session that begins tomorrow is an important one. In Geneva last November, General Secretary Gorbachev and I agreed to accelerate the negotiations on nuclear and space arms, particularly where we had already identified areas of common ground. This includes the principle of 50-percent reductions in nuclear arms, appropriately applied, as well as the objective of an interim agreement limiting intermediate-range missile systems (INF). Unfortunately, little progress was made during the most recent round of the negotiations, largely due to the failure of the Soviet Union to act on the commitments it undertook in the November 21 joint statement.

In January Mr. Gorbachev advanced publicly a "plan" calling for the elimination of all nuclear weapons by the end of the cen-

tury. While we are pleased that the Soviet Union has embraced in principle our ultimate goal of eliminating all nuclear weapons, we believe this must be accomplished through a progression of practical measures. Our immediate focus should remain the prompt accomplishment of the necessary first steps in this process: 50-percent reductions in strategic nuclear arms and an interim INF agreement, as agreed last November in Geneva. Toward this end, the United States has put forward fair and balanced proposals in all three areas of the NST negotiations. Our new strategic arms (START) proposals adopt the concept of 50-percent reductions in the nuclear arsenals of the United States and U.S.S.R. and seek to enhance stability by reducing the capability to conduct a first strike. These new proposals are designed as well to take into account concerns expressed by the Soviet Union and to build on areas of common ground in our respective positions.

In the defense and space forum we want to initiate a dialog with the Soviets on the vital relationship between strategic offense and defense. Furthermore, as a demonstration of our peaceful intentions, we are proposing an exchange of information on our respective strategic defense research pro-

grams and reciprocal visits by U.S. and Soviet experts to laboratories which are engaged in such research. Unfortunately, neither in their January announcement nor in their statements at Geneva have the Soviets provided a constructive response to our proposals in either the START or defense and space area. We hope they will do so this round.

On the other hand, Mr. Gorbachev's announcement did seem to show a potential for progress in the INF area. Taking this into account, I therefore made another new U.S. offer: a concrete, phased plan for the global elimination of this entire category of U.S. and Soviet missiles by the end of this decade. This new proposal, developed in close consultation with our allies in Europe and Asia, builds upon areas of common ground, as called for in the summit joint statement. Our previous INF proposals also remain on the table. In INF we also are proposing very concrete verification measures. After resisting for years U.S. proposals for verification, the Soviet Union recently has professed in its public statements that it now shares our interest in effective verification. We are seeking to put these Soviet pronouncements to the test at the negotiating table. In light of the unfortunate events of the past week, moreover, the need for

effective verification measures has become clearer than ever.

In sum, our key objectives in the Geneva negotiations are: deep cuts; no first strike advantage; continuing defensive research, because defense is safer than offense; and no cheating. We are making a sincere and determined effort to see the promise of the November summit fulfilled, and the instructions I gave to Ambassadors Kampelman, Glitman, and Lehman on their return to Geneva provide them with the flexibility they need to explore all promising approaches for agreement. It is high time now for the Soviet Union to get down to business by addressing seriously with us in Geneva the practical implementation of the mutual commitments which Mr. Gorbachev and I made at the summit. If the Soviets truly join us in this vital effort, real progress in nuclear arms reductions is clearly within our reach.

I want to emphasize in closing that the way to make progress is at the bargaining table in Geneva, in the confidential atmosphere provided by these negotiations. I therefore call on the Soviet Union to study these practical, yet far-reaching, U.S. proposals carefully and to respond in an equally concrete and constructive manner at the negotiating table. Only this will establish the kind of dialog that can lead to progress.

## **Statement by Principal Deputy Press Secretary Speakes on the Congressional Disapproval of the United States Arms Sale to Saudi Arabia**

*May 7, 1986*

Today the House joined the Senate in voting to disapprove the proposed sale of defensive missiles to Saudi Arabia. By this action, the Congress has endangered our longstanding security ties to Saudi Arabia, called into question the validity of U.S. commitments to its friends, and undermined U.S. interests and policy throughout the Middle East, in particular our ability to act as a balanced arbiter in the search for a peaceful resolution to the Arab-Israeli con-

flict. The President will not allow this to happen.

It must be clearly understood that this sale of defensive arms is not proposed as a favor to the Saudis, but because it is in America's interest to help our friends defend themselves against the forces of radicalism and terror. Therefore, it is the President's intention to veto this resolution and to work actively with Members of both Houses of Congress to sustain that veto.

## Proclamation 5472—National Barrier Awareness Day, 1986 May 7, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Today some 36 million Americans suffer from some form of handicap. Eighty percent of Americans will experience some disability in their lifetime. That makes it necessary for all of us to understand and appreciate both the barriers they must surmount and the contributions that they can make to our society.

Many disabled people face financial, cultural, and physical barriers because of a lack of public understanding of their needs. We must become more aware of the barriers that prevent or inhibit so many of our fellow Americans from participating fully in the life of our society, and how much more they could contribute if those obstacles were removed.

This can begin with recognizing the outstanding achievements of many disabled citizens. These heroes, often unsung, have done much to enrich their lives and ours. Let us all resolve to act positively toward those who must cope with the challenge of

physical handicaps. We all have much to gain if they are able to live up to their full potential.

The Congress, by House Joint Resolution 544, has designated May 7, 1986, as "National Barrier Awareness Day" and has authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 7, 1986, as National Barrier Awareness Day. I call upon my fellow citizens to observe this day with appropriate programs and activities.*

*In Witness Whereof, I have hereunto set my hand this seventh day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:42 a.m., May 9, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on May 8.*

## Nomination of Harry W. Shlaudeman To Be United States Ambassador to Brazil May 8, 1986

The President today announced his intention to nominate Harry W. Shlaudeman, of California, a career member of the Senior Foreign Service, Class of Career Minister, as Ambassador to the Federative Republic of Brazil. He succeeds Diego C. Asencio.

Ambassador Shlaudeman in the early 1950's was a real estate salesman and property manager with Hare, Brewer & Kelly in Palo Alto; a trainee at Union Bank of Pasadena; and a credit manager at Richfield Oil Co. in Los Angeles. He entered the Foreign Service in 1954 and served as vice consul at

Barranquilla, Colombia, 1955–1956. He then went to Bogotá, Colombia, as political officer in 1956–1958. From there he returned to Washington to attend the Foreign Service Institute studying Bulgarian and area training. From there, in 1960, he went to Sofia, Bulgaria, as consul. In 1964 he became political officer in Santo Domingo, returning to Washington in 1964 as the Dominican desk officer. From 1965 to 1966, Ambassador Shlaudeman was Assistant Director, Office of Caribbean Affairs, and adviser to Ambassador Ellsworth Bunker

during his mission to the Dominican Republic. Ambassador Shlaudeman was Special Assistant to Secretary of State Dean Rusk, 1967–1969. He was deputy chief of mission in Santiago, Chile, in 1969. In 1973 he returned to Washington as Deputy Assistant Secretary of State for Inter-American Affairs. He was named U.S. Ambassador to Venezuela in 1976. He then became Assistant Secretary of State for Inter-American Affairs until 1977 when he became U.S. Ambassador to Peru. He served in Lima until 1980 when he became U.S. Ambassador to Argentina. From 1983 to 1984, he was Executive Director of the National Bi-

partisan Commission on Central America, and in 1984 he was Ambassador at Large and the President's Special Envoy for Central America.

Ambassador Shlaudeman received his B.A. in 1952 from Stanford University and served in the United States Marine Corps from 1944 to 1946. Ambassador Shlaudeman is fluent in Spanish and Bulgarian. He received the Distinguished Honor Award in 1966 and the Presidential Meritorious Service Award in 1983. Ambassador Shlaudeman is married to the former Carol Jean Dickey, and they have three children. He was born May 17, 1926, in Los Angeles, CA.

## **Nomination of John Dale Blacken To Be United States Ambassador to Guinea-Bissau**

*May 8, 1986*

The President today announced his intention to nominate John Dale Blacken, of Washington, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to the Republic of Guinea-Bissau. He will succeed Wesley William Egan, Jr.

Mr. Blacken was a salesman with Encyclopaedia Britannica in San Francisco from 1956 to 1958. In 1958 he became a management analyst in the Office of the Secretary of Agriculture. He served there until 1961 when he entered junior officer training at the Foreign Service Institute and was assigned as third secretary from 1961 to 1963 at the U.S. Embassy in Dar es Salaam, Tanzania. He returned to the Department in 1964 and became cultural affairs officer in the Bureau of Education and Cultural Affairs until 1967. In 1967 he took Portuguese language training at the Foreign Service Language School in Rio de Janeiro and was later that year assigned as political officer at the U.S. consulate general in São Paulo, Brazil. From 1970 to 1971, Mr. Blacken was John Quincy Adams lecturer at

the University of Massachusetts, a departmental training assignment. In 1971 he became the Panama desk officer until 1973 when he was assigned as political counselor at the U.S. Embassy in Panama. From 1976 to 1978, he served as deputy chief of mission at the U.S. Embassy in Georgetown, Guyana. He then served from 1978 to 1980 as deputy political counselor at the United States Mission to the United Nations in New York City. He returned to the Department in 1980 as Director of the Office of Central American Affairs. From 1981 to 1984, Mr. Blacken was deputy chief of mission at the U.S. Embassy in Santo Domingo. In 1984 he became Deputy Coordinator in the Office of Public Diplomacy for Latin America and the Caribbean, where he has continued to serve to the present time. Mr. Blacken's foreign languages are Portuguese, Spanish, and German.

Mr. Blacken graduated from Washington State University (B.A., 1955). He served in the United States Army from 1950 to 1952. He was born August 26, 1930, in Everett, WA.

## Nomination of Paul Matthews Cleveland To Be United States Ambassador to Western Samoa

*May 8, 1986*

The President today announced his intention to nominate Paul Matthews Cleveland, of Florida, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador to Western Samoa. He succeeds H. Monroe Browne. Ambassador Cleveland was appointed Ambassador to New Zealand last December and will serve concurrently and without additional compensation as Ambassador to Western Samoa.

Ambassador Cleveland served with the Department of the Navy as a management analyst in the Office of Management in 1956–1957. He became a Foreign Service officer with the Department of State in 1957 and was a staff aide to the Deputy Assistant Secretary for Operations in 1958. In 1959 Ambassador Cleveland went to Canberra, Australia, as economic, then political officer, where he served until 1962. He then became the Ambassador's aide in Bonn, Germany, in 1963–1964. In 1964–1965 he took academic training and received his M.A. from the Fletcher School of Law and Diplomacy. From there he went to Jakarta, Indonesia, as economic officer

where he served until 1968, when he returned to the Department as an economic officer in the Office of Fuels and Energy. In 1970 he became special assistant to the Assistant Secretary for East Asian Affairs, departing in 1973 to become political/military officer, then political counselor at the U.S. Embassy in Seoul, Korea. In 1977 he was named Deputy Director and Director of Regional Affairs in the Bureau of East Asian Affairs in the Department. In 1980–1981 Ambassador Cleveland was Director of Thai Affairs and in 1981–1982 was Director of Korean Affairs. He was deputy chief of mission in Seoul, Korea, in 1982–1985. He was appointed U.S. Ambassador to New Zealand on December 6, 1985.

Ambassador Cleveland graduated from Yale University (B.A., 1953) and the Fletcher School of Law and Diplomacy (M.A., 1965). He was a pilot in the United States Air Force in 1953–1956. His foreign language is German. He is married to the former Carter Sellwood and has four children. He was born August 25, 1931, in Boston, MA.

## Nomination of Patricia Gates Lynch To Be United States Ambassador to Madagascar and the Comoros

*May 8, 1986*

The President today announced his intention to nominate Patricia Gates Lynch, of the District of Columbia, as Ambassador to the Democratic Republic of Madagascar and the Federal and Islamic Republic of the Comoros. She succeeds Robert Brendon Keating.

Mrs. Lynch was assistant manager of the Edward Cushing Bookshop in New Canaan, CT, 1943–1944. She was also a fundraiser (war bond drive), American Theatre Wing in New York City during this period. From 1943 to 1946, she worked in hospitals as a

volunteer Red Cross nurse's aide in Stamford, CT, and Oak Ridge, TN. Mrs. Lynch continued extensive volunteer work while traveling as an Army wife during the period 1944–1957. From 1957 to 1968, she was co-producer, writer, and broadcaster for WFAX Radio in Falls Church, VA. From 1960 to 1961, she lived in Munich, Germany, doing freelance work for NBC, sending back to New York interviews from Western Europe, the Soviet Union, Hungary, Poland, Turkey, and Iran. She also continued association with WFAX and carried out assign-

ments in Western and Eastern Europe and Iran for the Armed Forces Network in Europe. From 1968 to the present, she has been coproducer and host of the "Breakfast Show," Voice of America. In 1969 Mrs. Lynch was on detail from VOA to be on the White House staff of Mrs. Richard Nixon. She often traveled with President and Mrs. Nixon and was Press Assistant for Mrs.

Nixon. Since 1984 she has been producer-host of Saturday and Sunday "VOA Morning" programs.

Mrs. Lynch attended Dartmouth Institute in Hanover, NH. Her foreign languages are French and German. She is married, has two children, and was born April 20, 1926, in New Jersey.

## **Accordance of the Personal Rank of Ambassador to Michael Novak While Serving as Chairman of the United States Delegation to the Meeting on Human Contacts of the Conference on Security and Cooperation in Europe**

*May 8, 1986*

The President today announced his intention to accord the personal rank of Ambassador to Michael Novak, of the District of Columbia, as Chairman of the United States delegation to the Conference on Security and Cooperation in Europe experts' meeting on human contacts in Bern, Switzerland.

Mr. Novak was a teaching fellow in general education at Harvard University from 1961 to 1963. He then became assistant professor of philosophy and religion at the State University of New York from 1968 to 1973. From 1973 to 1974, he was associate director of humanities at the Rockefeller Foundation. In 1974-1976 he was a writer and lecturer, and from 1976 to 1980, he was a writer at Universal Press Syndicate. In 1977-1978 he was distinguished professor of religion at Syracuse University. In 1978-1986 he wrote for National Review.

Since 1978 he has been a resident scholar at the American Enterprise Institute for Public Policy Research in Washington, DC. Mr. Novak's government service includes the following: 1976-1979, he served on the National Ethnic Heritage Advisory Council; 1981-1983, the Representative of the United States of America on the Human Rights Commission of the Economic and Social Council of the United Nations; 1983 to the present, member of the Board for International Broadcasting; 1984, member of the Monitoring Panel for UNESCO; and 1985 to present, a member of the Presidential Task Force on Project Economic Justice.

Mr. Novak graduated from Stonehill College (A.B., 1956), Gregorian University, Rome, Italy (B.T., 1958), and Harvard University (M.A., 1965). He attended Catholic University from 1958 to 1959. He is married, has three children, and was born September 9, 1933, in Johnstown, PA.

## **Nomination of Vernon Dubois Penner, Jr., To Be United States Ambassador to Cape Verde**

*May 8, 1986*

The President today announced his intention to nominate Vernon Dubois Penner, Jr., of New York, a career member of the Foreign Service, Class of Counselor, as Ambassador to the Republic of Cape Verde. He succeeds John Melvin Yates.

Mr. Penner entered on duty in the Foreign Service in 1963. Prior to that time he had been an executive trainee at the New York Telephone Co. From 1964 to 1965, he was a junior officer trainee in Frankfurt, Germany, to be followed by consular officer in Zurich, Switzerland, from 1965 to 1966. In 1966 he became administrative officer in Osaka-Kobe, Japan, and returned to Washington in 1968 for language training at the Foreign Service Institute. From 1969 to 1972, he served as consular/political officer at our Embassy in Warsaw, Poland. In 1972 he served as consular officer and special

assistant to the Administrator of the Bureau of Security and Consular Affairs until 1975 when he became principal officer in Oporto, Portugal. From there he served in Salzburg, Austria, as principal officer from 1978 to 1979. Mr. Penner took university training at Princeton in 1979-1980. In 1980 he became chief of the consular section in Frankfurt, Germany. In 1983 he returned to Washington as Deputy Assistant Secretary for Overseas Citizens Services, and in 1985 to the present was Deputy Assistant Secretary for Visa Services.

Mr. Penner graduated from Union College (B.A., 1962) and Syracuse University (M.P.A., 1963). His foreign languages are German, Polish, and Portuguese. He is married, has two children, and was born October 20, 1939, in Brooklyn, NY.

## **Nomination of Theodore J. Garrish To Be Federal Inspector for the Alaska Natural Gas Transportation System**

*May 8, 1986*

The President today announced his intention to nominate Theodore J. Garrish to be Federal Inspector for the Alaska Natural Gas Transportation System. He would succeed John T. Rhett. He will also continue in his position as Assistant Secretary for Congressional, Intergovernmental, and Public Affairs, Department of Energy.

Mr. Garrish has been at the Department of Energy since 1982, and he has served in his current position since 1985. Previously, he was General Counsel, 1983-1985; and Special Assistant to the Secretary, 1982-1983. He was legislative counsel at the Department of the Interior in 1981-1982; a

partner in the law firm of Deane, Snowdon, Shutler, Garrish and Gherardi; the General Counsel of the Consumer Product Safety Commission in 1976-1978; an assistant to the Secretary of the Interior in 1976; Deputy General Counsel in the Office of Consumer Affairs at the Department of Health, Education and Welfare in 1975-1976; and an assistant to the Special Counsel at the White House in 1974.

Mr. Garrish graduated from the University of Michigan (A.B., 1964) and Wayne State University (J.D., 1968). He has two children and resides in Alexandria, VA. He was born January 6, 1943, in Detroit, MI.



## Nomination of Robert B. Helms To Be an Assistant Secretary of Health and Human Services

*May 8, 1986*

The President today announced his intention to nominate Robert B. Helms to be an Assistant Secretary of Health and Human Services (Planning and Evaluation). He would succeed Robert J. Rubin.

Mr. Helms has been with the Department of Health and Human Services since 1981. He was Deputy Assistant Secretary for Planning and Evaluation/Health, 1981–1984; and Acting Assistant Secretary for Planning and Evaluation, 1984 to present.

Previously, he was director of health policy studies at the American Enterprise Institute, 1974–1981; and an associate professor of economics at Loyola College in Baltimore, MD, 1971–1973.

He graduated from Auburn University (B.S., 1962) and the University of California at Los Angeles (M.A., 1966 and Ph.D., 1973). Mr. Helms is married, has two children, and resides in Rockville, MD. He was born January 12, 1940, in Mobile, AL.

## Proclamation 5473—Naval Aviation Day, 1986

*May 8, 1986*

*By the President of the United States of America*

### *A Proclamation*

May 8 marks the seventy-fifth anniversary of naval aviation in the United States. On that day in 1911, Captain Washington Irving Chambers prepared the requisition for the first aircraft for the United States Navy, thereby initiating a long and glorious tradition. Since that date, naval aviation has played an essential role in our national defense, both in peace and war. Naval aviation also has played a vital role in the development of space exploration and aviation technology.

Naval aviators performed superbly in World Wars I and II, the Korean and Vietnam conflicts, and other operations in support of our national security. Today, naval aviators are deployed in all parts of the world aboard our aircraft carriers, other ships, and shore-based naval aviation squadrons. The courage and professionalism of these dedicated men and women were again demonstrated vividly during the anti-terrorist strikes conducted in Libya a few weeks ago. All Americans owe a great debt of gratitude to the people who fly and maintain naval aircraft.

It is appropriate, therefore, that on the

day marking the seventy-fifth anniversary of the founding of naval aviation, the people of the United States, along with our friends and allies throughout the world, should celebrate the remarkable achievements and proud heritage of naval aviation.

The Congress, by House Joint Resolution 569, has designated May 8, 1986, as “Naval Aviation Day” and authorized and requested the President to issue a proclamation in observance of this occasion.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim May 8, 1986, as Naval Aviation Day, and I call upon the people of the United States to observe this day with appropriate ceremonies and activities to honor the brave men and women who have served their country in naval aviation.

*In Witness Whereof*, I have hereunto set my hand this eighth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:43 a.m., May 9, 1986]*

## Proclamation 5474—National Fishing Week, 1986

May 8, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Throughout our history, the Nation's waters have provided a bounty of fish for recreation and food. Every year more than 60 million Americans participate in sport fishing, one of the most wholesome and healthful of outdoor pursuits.

Recreational fishing provides enjoyment and relaxation for citizens of all ages. It brings them into close touch with the beauty, wonders, and abundance of our inland and coastal waters. Sport fishing promotes respect for nature and encourages sound conservation.

In this great land we are particularly blessed. Not only does sport fishing represent an important commitment to conservation and recreation, it sustains a billion-dollar industry. Through the special taxes, licenses, and fees that sport fishermen pay, tens of millions of dollars are made available each year to fund fishery restoration projects throughout the 50 States and the Territories.

Fishing, of course, is also a major industry that provides employment for more than 300,000 Americans each year and lands some six billion pounds of seafood worth about two and a half billion dollars in direct sales.

In recognition of the valuable financial

contributions sport fishing makes to fish conservation programs in every State, and in light of the time-honored recreation it means for so many of our citizens, it is fitting that we observe a National Fishing Week. It is proper that we encourage our Nation's sport fishermen to take pride in their sport and in what it does to preserve and enhance America's fishery resources.

The Congress, by Senate Joint Resolution 262, has requested and authorized the President to issue a proclamation designating the week beginning June 2, 1986, through June 8, 1986, as "National Fishing Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of June 2 through 8, 1986, as National Fishing Week. I urge all Americans to join with anglers in appreciating and working to conserve our priceless freshwater, estuarine, and marine resources.

*In Witness Whereof*, I have hereunto set my hand this eighth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:44 a.m., May 9, 1986]*

## **Nomination of Clarence Thomas To Be a Member of the Equal Employment Opportunity Commission, and Designation as Chairman**

*May 8, 1986*

The President today announced his intention to nominate Clarence Thomas to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1991. This is a reappointment. Upon confirmation he will be designated Chairman.

Mr. Thomas has held his position of Chairman of the Equal Employment Opportunity Commission since February 1982. Previous to this he was Assistant Secretary

for Civil Rights in the Department of Education from 1981 to 1982. He was legislative assistant to Senator John C. Danforth (R-MO) in 1979–1981; an attorney at the Monsanto Co. in 1977–1979; and assistant attorney general of Missouri in 1974–1977.

He graduated from Holy Cross College (B.A., 1971) and is a member of the board of trustees of that institution, and Yale Law School (J.D., 1974). He has one child and was born June 23, 1948, in Savannah, GA.

## **Nomination of Peter C. Myers To Be Deputy Secretary of Agriculture**

*May 8, 1986*

The President today announced his intention to nominate Peter C. Myers to be Deputy Secretary of Agriculture. He would succeed John R. Norton III.

Since 1985 Mr. Myers has been Assistant Secretary of Agriculture for Natural Resources and Environment. He was Chief of the Soil Conservation Service at the Department of Agriculture, 1982–1985. Previously,

he operated his own row crop and livestock farm in southern Missouri, 1955–1982, and he was a commissioned officer in the U.S. Army, 1953–1955.

Mr. Myers graduated from the University of Wisconsin (B.S., 1953). He is married, has five children, and resides in Annandale, VA. Mr. Myers was born January 4, 1931, in Racine, WI.

## **Nomination of Edward V. Hickey, Jr., To Be a Commissioner of the Federal Maritime Commission, and Designation as Chairman**

*May 8, 1986*

The President today announced his intention to nominate Edward V. Hickey, Jr., to be a Federal Maritime Commissioner for the term expiring June 30, 1991. This is a reappointment, and upon confirmation, he will be redesignated Chairman.

Since 1985 Mr. Hickey has been serving as Chairman of the Federal Maritime Commission. Previously, he was an Assistant to the President and Director of Special Sup-

port Services, 1982–1985; and a Deputy Assistant to the President, 1981–1982. He was a Foreign Service officer, serving as the State Department's senior regional security officer at U.S. Embassies in the United Kingdom, Ireland, and Iceland, 1978–1982; Assistant Director in the Office of Security and Acting Counselor for Administration, 1975–1978, at the State Department; executive director of the California State Police,

1969–1975; and he was a special agent of the U.S. Secret Service, 1964–1969.

Mr. Hickey graduated from Boston College (B.S., 1960). He served in the United

States Army in 1954–1956. Mr. Hickey is married, has seven children, and resides in Falls Church, VA. He was born July 15, 1935, in Dedham, MA.

## **Nomination of George Woloshyn To Be an Associate Director of the Federal Emergency Management Agency**

*May 8, 1986*

The President today announced his intention to nominate George Woloshyn to be an Associate Director of the Federal Emergency Management Agency (Emergency Management). He would succeed Charles M. Girard.

Since 1982 Mr. Woloshyn has been Associate Director at the Office of Personnel Management and prior to that as Deputy General Counsel, March 1982 to November 1982. Previously, he was a real estate contract officer and manager of industrial de-

velopment with Amtrak, 1978–1982; an attorney in private law practice in New York City and legal counsel for the New York City Transit Authority.

Mr. Woloshyn graduated from Fordham University (B.S., 1965 and J.D., 1974) and the State University of New York Baruch Graduate School of Business (M.B.A., 1972). He is married, has two children, and resides in Falls Church, VA. Mr. Woloshyn was born October 15, 1943, in Kuphovychi, Ukraine.

## **Nomination of Robert E. Windom To Be an Assistant Secretary of Health and Human Services**

*May 8, 1986*

The President today announced his intention to nominate Robert E. Windom to be an Assistant Secretary of Health and Human Services (Health). He would succeed Edward N. Brandt, Jr.

Dr. Windom is a physician specializing in internal medicine in Sarasota, FL. He has been a clinical associate professor of internal medicine at the University of Miami School of Medicine since 1970 and a clinical professor of internal medicine at the Uni-

versity of South Florida School of Medicine since 1981. He has been a liaison to the Washington office of the American Medical Association, 1975–1986, and has served on the National Legislative Committee of the Florida Medical Association.

Dr. Windom graduated from Duke University (B.A., 1952; M.D., 1956). Dr. Windom is married, has three children, and resides in Sarasota, FL. He was born July 14, 1930, in Columbus, OH.

## Radio Address to the Nation on Tax Reform *May 10, 1986*

### *My fellow Americans:*

Just about a year ago I went on national television to speak of a great national endeavor for our future, an effort by all of us to give the words freedom, fairness, and hope new meaning and power for every man and woman in America. I spoke to you about what we must do to transform a tax system, rotting from unfairness and complexity, a source of unending resentment and enmity, into one that is clear, simple, and fair for all, a system that could no longer run roughshod over Main Street America, but would ensure your families and firms incentives and rewards for hard work and risk-taking in an American future of strong economic growth.

Death and taxes may be inevitable, but unjust taxes are not. And so we proposed, as our number-one domestic priority, a radical reform to simplify the tax system and lower your tax rates, clear out the clutter of special provisions, free ourselves from the grip of special interests, and create a binding commitment to the only special interest that counts: you, the people who pay America's bills. All of us—our White House team, Jim Baker's at Treasury, and everyone else in the administration—have fought hard to get tax reform passed into law.

But from day one the Washington establishment has been firing its big guns trying to shoot tax reform down. According to these experts, we never had a chance. If you listen to conventional wisdom here, to the wisdom of Washington's most influential lobbyist and insiders, tax reform was never more than a pipedream. Less than 1 month ago we were told that tax reform is dead. Well, just in case you missed one of the headlines last week, it read: "Sudden twists in tax bill's course leave lobbyists stunned, bewildered." What happened? The people won, that's what happened. Well, they may not have won quite yet; but thanks to heroic work of Senator Bob Packwood, members of his finance committee, our administration, and you, the political entrepreneurs have just won a magnificent first

victory over the stagnating forces of the status quo.

America today stands poised to lift off into a new age of opportunity powered by one of the most exciting economic changes of my lifetime. Passed by an overwhelming 20 to 0 bipartisan vote, this proposal is really radical in scope. It dramatically simplifies the entire tax rate structure and reduces personal income tax rates to their lowest levels in over half a century. There will be only two simple rates: 15 and 27 percent. Over 80 percent of all Americans will pay a tax rate of 15 percent or less. In addition, the Finance Committee proposal will raise the personal and dependents' exemption to \$2,000 for all middle- and low-income Americans. It will remove 6 million working poor from the tax rolls all together. That's right, I said 6 million.

It will sweep into the trash bins of our past literally scores of unfair, unwise, unproductive tax shelters. It will make business decisions depend on economic merits rather than on tax considerations. And it will make America more competitive in world markets. Finally, the proposal will make an enormous contribution toward tax fairness by providing for a minimum tax of 20 percent on certain items of tax preference. In this way, we can be sure that all individuals and corporations finally pay their fair share. Of course, this bill is not perfect. But several months ago I wrote several Members of the House specifying the conditions that must be met for my support. This bill meets those conditions. As far as I'm concerned, it's a giant step forward.

My Council of Economic Advisers believes that the Senate finance bill is pro-growth and pro-opportunity. They estimate that added incentives and efficiencies could increase America's growth rate nearly 10 percent over the next decade. That could mean as much as \$600 to \$900 more income per household each year. Jobs could rise an additional 4 million over that period. That's why I'm asking Republicans and Democrats to unite to move this legislation

through Congress as fast as possible, so you, the people, can set the stage to make America the world's economic superstar through the nineties and the year 2000. As I seem to remember saying once before: Let's go for it!

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## Remarks at the Swearing-in Ceremony for James C. Fletcher as Administrator of the National Aeronautics and Space Administration May 12, 1986

*The President.* I very much wanted to be here today because this ceremony marks the dawn of a new beginning for NASA, the United States, and the free world. For over 25 years the men and women, secretaries and scientists, technicians, and astronauts of NASA have paved the way to the stars. They have charted new courses for us in a strange and forbidding and, yes, sometimes even an unforgiving environment. Some of them have even given the supreme sacrifice.

Over 25 years ago the people of this great nation made a commitment to go where no man has gone before and to do what no man has ever done before. We invited the finest minds in the Nation and world to join with us in a new but risky adventure: to explore the planets and the stars. We invited men and women from all walks of life to join a great team and a great nation to follow an uncertain path.

Everyone knew this was a great nation, and great nations pursue great efforts. This was no exception. There have been sacrifices in this program and lives lost, but there've also been great triumphs. In the 1600's another explorer with unlimited vision and an insatiable search for knowledge recognized the sacrifices of others. Sir Isaac Newton said, "If I have seen further, it is by standing upon the shoulders of giants." Well, the giants of the world's finest space program, we're proud to say, are Americans.

The men and women of NASA and the Department of Defense are setting high

standards that are going to be tough to follow. Jim, you're coming on board at a time when NASA and the country need you. We need a steady hand on the tiller. These past few months have been a stormy period for NASA and the space program of the United States. Dr. Bill Graham, who's been serving as the Acting Administrator, has seen us through some high seas and gale force winds, and he has done a fine job. The space shuttle and our missile launch programs are the foundations of our nation's journey to the stars and beyond. It's time to rededicate ourselves to this destiny, and in our view, you, Jim, are the one to make that happen. So, congratulations, and God bless you.

*Mr. Fletcher.* Thank you, Mr. President, the Vice President, and all of the others here. As you know, I was reluctant to accept this assignment when you first called. After receiving the warm welcome from NASA last week, I've completely flipped over, and I'm anxious to get to work. I must say that we've got a little bit of business ahead of us, but it won't be long before we are flying again. And with the help of some of the people that you see in front of you—NASA hands and many others—we'll do that. And of course the Members of Congress, members of the committee—we expect some of their support, too, and I think with their help we'll be back on track again, Mr. President.

*Note: The President spoke at 11:08 a.m. in the Roosevelt Room at the White House.*

## Remarks at the Presentation Ceremony for the Presidential Medal of Freedom

May 12, 1986

*The President.* Well, thank you all for being here. Nancy and I want to welcome you all to the White House for this happy occasion. On days like this and at lunches like this, I find myself looking up and thinking what a wonderful job I have. We're here today to present the Medal of Freedom to seven Americans. This medal is the highest civilian honor our nation can bestow. And I've always thought it highly significant that we call it not the Medal of Talent or the Medal of Valor or the Medal of Courage or Genius but the Medal of Freedom. I think that says a lot about our values and what we honor and what we love.

Freedom is important to all of us. As someone who spent many years making speeches, I have quoted many definitions of freedom—some very moving and eloquent. But I've always liked George Orwell's blunt and unadorned statement. He said, "Freedom is the right to say no." There's something kind of happily rebellious about that definition, and I thought of it this morning because I decided this year's recipients of the Medal of Freedom are distinguished by this. You're a group of happy rebels. In your careers and in the way you have lived your lives, you've all said no—a most emphatic no—to mediocrity, to averageness, to timidity. You've said no to the rules of the game and the regulations of the day. You've said no to the conventional wisdom, no to the merely adequate, no to the limits and limitations on yourselves and others.

But it's probably true that there is little point to freedom unless it's accompanied by a big yes! And each of you has uttered a resounding Whitmanesque yes to many things—to excellence and risk and reach, to courage and the untried and the supposedly impossible. You've rebelled against the artificial and embraced the authentic. You've achieved a great deal. And your creativity itself has been life-affirming, for creation is a profoundly faithful act, an act that says, "I trust in the future, and I trust in life itself."

You're all originals. You've all made America better—a better place—and you've made it seem a better place in the eyes of the people of the world. And this today is just our way of saying thanks. And without further ado, I'm going to read the citations for the medals now and award them to the recipients.

Walter Hubert Annenberg:

Following a brilliant career in publishing and pioneering the use of television for educational purposes, Walter Hubert Annenberg was in 1969 appointed Ambassador to the Court of St. James, where he served with extraordinary diligence, bringing the governments and people of the United States and United Kingdom closer together. Since returning to private life, Walter Annenberg has devoted himself to the development of higher education and has provided support to countless institutions. Today our nation repays his lifetime of achievement with its gratitude.

Walter—

*Ambassador Annenberg.* Thank you, Mr. President.

*The President.* —very pleased and proud.

*Ambassador Annenberg.* Thank you, Mr. President.

*The President.* Earl Henry Blaik:

A soldier of the gridiron, Colonel Earl "Red" Blaik led the West Point team he coached into the pages of the history books. He rallied the Black Knights from a record of devastating defeats and carried them on to some of their greatest victories, winning the esteem of his cadet players and the admiration of his vanquished rivals. One of America's great coaches, he brought a winning spirit to his team, honor to his branch of service, and pride to his nation.

And, Red, here you go, and well deserved.

*Mr. Blaik.* Thank you, Mr. President.

*The President.* Barry Morris Goldwater:  
*Senator Goldwater.* Thank God I made it.  
[Laughter]

*The President.* [Continuing to read the citation]

Soldier and statesman, Barry Morris Goldwater

has stood at the center of American history. Respected by both ally and adversary, Barry Goldwater's celebrated candor and patriotism have made him an American legend. Hailed as a prophet before his time, selfless in the service of his nation, Barry Goldwater has earned the unbounded affection and admiration of his countrymen and the enduring gratitude of all future generations of Americans.

And here you go, Mr. Conservative.

And Helen Hayes. I can't resist pointing out that Helen was married to a happy rebel named Charlie MacArthur, a wonderful playwright and a man of natural style. And, Helen, today I was remembering your story—no, in just a minute; I'm going to make you listen to a story. When she first set eyes on Charlie, it was at a party. And he was eating from a bag of peanuts. He looked at her and asked if she'd like some peanuts. And as he poured them into her hand he said, "I wish they were emeralds." And years later, as a famous and celebrated playwright, he bought Helen what she'd asked for as an anniversary gift—a handful of jewels. And as he poured the emeralds into her hand, you know what he said? "I wish they were peanuts." [Laughter]

Helen Hayes MacArthur:

Many are admired, but few are beloved, and fewer still are both. But Helen Hayes is and has been for almost all the years of this century both. Peerless actress, peerless star, she has excelled on stage, screen, and television, playing everything from virtuous young ingenues to Victorian queens. Helen Hayes is that rare thing—a true original. She is also, demonstrably, a great actress, a great patriot, and a great soul.

Helen, congratulations.

General Matthew B. Ridgway:

When a soldier rising, sword in hand, reaches to protect an idea—freedom, liberty, human kindness—the world is, for a moment, hushed. Greatness is often born in quiet, in stillness. And so it was that night in June of 1944 when General Matthew B. Ridgway prayed the words God spoke to Joshua: "I will not fail thee, nor forsake

thee." D-day saved a continent, and so, a world. And Ridgway helped save D-day. Heroes come when they're needed; great men step forward when courage seems in short supply. World War II was such a time. And there was Ridgway.

General, thank you, and God bless you. Vermont Connecticut Royster:

Mr. Royster. Did they have to put the middle name in?

The President. [Laughter] Not anymore.

For over half a century, as a journalist, author, and teacher, Vermont Royster illuminated the political and economic life of our times. His common sense exploded the pretensions of "expert opinion," and his compelling eloquence warned of the evils of society loosed from its moorings in faith. The voice of the American people can be heard in his prose—honest, open, proud, and free.

Vermont, congratulations to you and to the rest of New England.

Albert Bruce Sabin:

When, as a boy, Albert Bruce Sabin came to the United States from Russia, no one could have known that he would number among the most prominent immigrants of our century. From an early age Sabin devoted his life to medicine, and by the 1950's his research had resulted in a breakthrough. In the years since the Sabin vaccine has helped to make dramatic advances against the scourge of poliomyelitis.

This medal is awarded to Dr. Sabin on behalf of a proud nation and a grateful world. Doctor, thank you for everything.

There's nothing to add to achievements such as these, and no praise that can add any more luster to these great names. May I say to you simply, to all of you, thank you just for being, for doing what you've done and what you do. And thank you all, and God bless you.

*Note: The President spoke at 1:17 p.m. in the East Room at the White House following a luncheon for the recipients and their guests.*



## Statement on Signing the Garrison Diversion Unit Reformulation Act of 1986

*May 12, 1986*

I have signed H.R. 1116, the Garrison Diversion Unit Reformulation Act of 1986. This bill would implement certain recommendations of the Garrison Diversion Unit Commission report concerning the water needs of the State of North Dakota and related matters.

I wish to commend the many parties who worked together, most particularly Senator Mark Andrews, whose tenacious dedication led efforts, along with others, to settle the complex issues surrounding authorization and funding for a revised Garrison Diversion Unit. Despite the long and contentious history of the Garrison Diversion Unit, the citizens who have worked on both sides of the project have demonstrated that people of good will can reach consensus on the critical water development and environmental issues that face the Nation. Because both supporters and opponents were willing to drop past differences and work together, H.R. 1116 offers benefits to all of the parties who were involved in the negotiations.

We have consistently supported the fine work of the Garrison Diversion Unit Commission. In developing its recommendations, the Commission responded to the contemporary water needs of North Dakota. While this bill is generally based on the recommendations of the Commission, I regret that H.R. 1116 does not include amendments requested by the administration to ensure greater cost recovery for the project. However, the total cost of the revised project represented by this compromise is substantially less than anticipated under the original authorizations or under the Commission's recommendations, and major portions of the controversial project are deauthorized by this legislation. Of equal importance, H.R. 1116 responds to a unique problem that has been the subject of controversy for over 40 years, and therefore I view this compromise as an accepta-

ble solution of this longstanding issue. It should not be perceived as altering, in any way, the administration's policy on cost recovery for water projects. Without these considerations, I could not have approved H.R. 1116.

Finally, section 9 of H.R. 1116 raises a constitutional concern that requires comment. That section provides for the establishment of a "Wetlands Trust" under the laws of North Dakota, but partially funded by an annual contribution of Federal funds. The trust is to be administered by a board of directors whose members would be appointed by the Governor of North Dakota and certain environmental organizations. The purposes of the trust, as stated in the bill and to be restated in its corporate charter, are to "preserve, enhance, restore, and manage wetland and associated wildlife habitat in the State of North Dakota." The corporate charter will authorize the trust to finance programs in support of those purposes.

I have been advised by the Department of Justice that because the trust officials are not Federal officers, the trust's allocation of Federal funds may raise a constitutional question under the appointments clause, article II, section 2, clause 2, unless the bill is given a careful narrowing construction. For this reason, I am signing H.R. 1116 based on the understanding that the language directing the Secretary of the Interior to make an annual Federal contribution to the trust means that the Secretary shall establish a grant agreement with the trust. The agreement should contain such terms as are consistent with constitutional and legal requirements and as are necessary to carry out the purposes of the trust, as defined in its corporate charter.

*Note: H.R. 1116, approved May 12, was assigned Public Law No. 99-294.*

## **Statement by Principal Deputy Press Secretary Speakes on Attacks on Shipping in the Persian Gulf**

*May 12, 1986*

The administration is deeply concerned over the increase in attacks on merchant shipping in international waters in the lower Persian Gulf. Within the last 8 days, two Saudi tankers have been struck by Iranian aircraft in what appears to be an intensification of strikes on neutral ships operating peacefully in the Gulf.

We are concerned that the recent action of Congress in rejecting an arms sale may have created the misperception that the U.S. commitment to freedom of navigation in the Gulf and Saudi self-defense has diminished. Any such view would be gravely mistaken. We strongly support Saudi Arabian self-defense. To avoid miscalculation, we reemphasize the importance we attach to the principle of freedom of navigation and

the free flow of oil, as well as our determination to maintain open access through the Straits of Hormuz. Our commitment to this principle and its application to the Gulf remains unchanged.

The United States continues to seek the earliest possible end to the Iran-Iraq war. At the same time, we will support the individual and collective self-defense efforts of our friends in the region and will continue to consider expansion of the Iran-Iraq war to the Arab Gulf States to be a major threat to our interests.

*Note: Larry M. Speakes read the statement to reporters at 12:12 p.m. in the Briefing Room at the White House.*

## **Appointment of Mari Maseng as Deputy Assistant to the President and Director of the Office of Public Liaison**

*May 12, 1986*

The President today announced the appointment of Mari Maseng to be Deputy Assistant to the President and Director of the Office of Public Liaison. She will succeed Linda Chavez.

Since April 1985 Ms. Maseng has been vice president and director of corporate relations at the Beatrice Companies in Chicago. Previously, she served as Assistant Secretary of Transportation for Public Affairs, 1983–1985; a speechwriter for President Reagan, 1981–1983; a press aide to Mrs.

Reagan during the transition, 1980–1981; a media strategist for the Reagan-Bush campaign, 1980; staff director for Senator Bob Dole's Presidential campaign, 1979; a press aide to Representative Phil Crane, 1979; campaign press secretary for Senator Strom Thurmond, 1978; and a reporter for the Charleston Evening Post, 1976–1978.

Ms. Maseng graduated from the University of South Carolina (B.A., 1975). She resides in Washington, DC, and was born March 15, 1954, in Chicago, IL.

## **Nomination of Manuel H. Johnson To Be Vice Chairman of the Board of Governors of the Federal Reserve System**

*May 12, 1986*

The President today announced his intention to nominate Manuel H. Johnson, of Virginia, to be Vice Chairman of the Board of Governors of the Federal Reserve System for a term of 4 years. He would succeed Preston Martin in his capacity as Vice Chairman. Mr. Johnson has served as a member of the Board of Governors since February 6, 1986.

Dr. Johnson has served as Assistant Secretary for Economic Policy at the Department of the Treasury, 1982-1986, and as Deputy Assistant Secretary for Economic Policy, 1981-1982. Dr. Johnson was an asso-

ciate professor of economics at George Mason University in Fairfax, VA, 1980-1981, and an assistant professor of economics, 1977-1980. He was an instructor and research associate in the economics department at Florida State University in 1973-1976.

Dr. Johnson graduated from Troy State University (B.S., 1973) and Florida State University (M.S., 1974; Ph.D., 1977). He is married, has two children, and resides in Fairfax, VA. He was born February 10, 1949, in Troy, AL.

## **Nomination of H. Robert Heller To Be a Member of the Board of Governors of the Federal Reserve System**

*May 12, 1986*

The President today has announced his intention to nominate H. Robert Heller of California, district 12, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1982. He would succeed Preston Martin.

Since 1978 Dr. Heller has been senior vice president and director of international economic research at Bank of America, San Francisco, CA. Previously, he was Chief, Financial Studies Division, International Mon-

etary Fund, Washington, DC, 1974-1978; professor of economics, University of Hawaii, 1971-1974; and assistant and associate professor, University of California, Los Angeles, 1965-1971.

Dr. Heller graduated from Parsons College (B.A., 1961), the University of Minnesota (M.A., 1962), and the University of California, Berkeley (Ph.D., 1965). He is married, has two children, and resides in Mill Valley, CA. Dr. Heller was born January 8, 1940, in Cologne, Germany.

## **Nomination of Joyce Doyle To Be a Member of the Federal Mine Safety and Health Review Commission**

*May 12, 1986*

The President today has announced his intention to nominate Joyce Doyle to be a member of the Federal Mine Safety and Health Review Commission for a term expiring August 30, 1992. This is a reappoint-

ment.

Ms. Doyle was first appointed to this Commission in April 1985. Previously, she was assistant general counsel at Belco Petroleum Corp. in New York, 1976-1985; and

vice president of Belcoal, Inc., 1982–1983. From 1973 to 1976, she was a litigation attorney with Fogarty, McLaughlin & Semel in New York City.

Ms. Doyle graduated from Youngstown

State University (B.A., 1960), Catholic University (M.A., 1964), and Fordham University (J.D., 1972). She resides in Washington, DC, and was born August 13, 1937, in Youngstown, OH.

## **Appointment of Louis R. Bruce as a Member of the National Advisory Council on Indian Education**

*May 12, 1986*

The President today has announced his intention to appoint Louis R. Bruce to be a member of the National Advisory Council on Indian Education for a term expiring September 29, 1988. This is a reappointment.

Since 1974 Mr. Bruce has been owner and president of Native American Consultants, Inc., in Washington, DC. Previously, he was Commissioner of Indian Affairs at the Bureau of Indian Affairs, 1969–1973; executive director and chairman of the board of trustees of Zeta Psi Education Foundation and Fraternity, North America, Inc.,

1966–1969; and public relations editor and marketing promotions director for Mid-Eastern Cooperative, 1964–1966. Mr. Bruce has owned and operated a 600-acre dairy farm in Richfield Springs, NY, and he has been an adviser on American Indian affairs to former Presidents from Franklin D. Roosevelt to Gerald R. Ford.

Mr. Bruce graduated from Syracuse University (B.A., 1930). Mr. Bruce is married, has three children, and resides in Arlington, VA. He was born on December 30, 1905, on the Onondaga Reservation near Syracuse, NY.

## **Appointment of Four Members of the National Council on Vocational Education**

*May 12, 1986*

The President today has announced his intention to appoint the following individuals to be members of the National Council on Vocational Education for terms expiring January 17, 1989. These are reappointments.

*Marilyn D. Liddicoat*, of California. Mrs. Liddicoat is an attorney in Watsonville, CA, and currently serves as vice chairman of the Santa Cruz County Board of Supervisors. She graduated from UCLA (B.A.) and the University of Southern California (J.D.). She is married, has three children, and was born October 2, 1931, in Los Angeles, CA.

*John Henry Mackey*, of Georgia. Mr. Mackey is president of local 1414 of the International Longshoremen's Association in Savannah, GA. He has been vice president of both the South

Atlantic and gulf coast district of the ILA and the International Longshoremen's Association. He is married, has three children, and was born October 26, 1921, in Savannah, GA.

*Ray Shamie*, of Massachusetts. Mr. Shamie is chairman and founder of Metal Bellows Corp. in Sharon, MA. He attended Fenn College in Cleveland, OH. Mr. Shamie is married, has two children, and was born February 14, 1921, in Brooklyn, NY.

*Arthur E. Vadnais*, of Minnesota. Mr. Vadnais is supervisor of education coordination, Minnesota State Board of Vocational-Technical Education. He graduated from the University of Minnesota (B.S., 1962). Mr. Vadnais is married, has two children, and resides in Minneapolis, MN. He was born December 23, 1928, in Chicago, IL.

## **Nomination of Diana D. Denman To Be a Member of the National Museum Services Board**

**May 12, 1986**

The President today has announced his intention to nominate Diana D. Denman to be a member of the National Museum Services Board, Institute of Museum Services, National Foundation on the Arts and the Humanities, for a term expiring December 6, 1990. She would succeed Liles B. Williams.

Since 1983 Mrs. Denman has been vice

chairman of the Republican Party of Texas. She owns and operates a ranch in San Antonio, TX, and was formerly an actress in Los Angeles, CA.

Mrs. Denman graduated from the George Washington University (B.A., 1955). She is married, and she has one child. Mrs. Denman was born on February 20, 1934, in Abilene, TX.

## **Appointment of 17 Delegates to the National White House Conference on Small Business**

**May 12, 1986**

The President today has announced his intention to appoint the following individuals to be delegates to the National White House Conference on Small Business. These are new positions.

**Dennis V. Alfieri**, of California. Mr. Alfieri is vice president for development with Alken Construction Co. in Arcadia, CA. He graduated from the University of Southern California (B.S., 1980). Mr. Alfieri is married, and he was born November 20, 1958, in Pasadena, CA.

**Marion R. Behr**, of New Jersey. Mrs. Behr is president of Women Working Home, Inc., in Edison, NJ. She graduated from Syracuse University (B.A., 1961). Mrs. Behr is married, has three children, and was born September 12, 1939, in Rochester, NY.

**Melvin A. Bilal**, of Maryland. Mr. Bilal is president of Howard Security Services, Inc., in Baltimore, MD. He graduated from the University of Illinois (B.S., 1965) and the University of Pennsylvania (J.D., 1972). Mr. Bilal is married, has two children, and resides in Ellicott City, MD. He was born September 10, 1942, in White Plains, NY.

**John M. Burris**, of Delaware. Mr. Burris is vice president of Burris Foods, Inc., in Milford, DE. He graduated from Ohio Wesleyan University (B.A., 1969). Mr. Burris is married, has three children, and was born April 19, 1946, in Milford, DE.

**Margaret A. Carpenter**, of Alabama. Mrs. Carpen-

ter is president and founder of Compos-it, Inc., in Montgomery, AL. She graduated from the University of Alabama (B.S., 1945). Mrs. Carpenter is married, has three children, and was born April 7, 1924, in Birmingham, AL.

**Paul J. Coughlin, Jr.**, of the District of Columbia. Mr. Coughlin is president of the Washington Aluminum Co. in Baltimore, MD. He graduated from Georgetown University (B.A., 1961) and Columbia University (L.L.B., 1964). He is married, has four children, and resides in Washington, DC. Mr. Coughlin was born November 14, 1939, in Cleveland, OH.

**Willis K. Drake**, of Minnesota. Mr. Drake is the retired chairman of Micro Computers Tech., Inc., in St. Paul, MN. He graduated from Purdue University (B.A., 1947). Mr. Drake is married, has two children, and resides in Edina, MN. He was born May 28, 1923, in LaCrosse, WI.

**Billy Joe DuPree**, of Texas. Mr. DuPree is president of DuPree Construction Co., in Dallas, TX. He attended Michigan State University. Mr. DuPree is married, has two children, and was born March 7, 1950, in Monroe, LA.

**Florence Fang**, of California. Mrs. Fang is president of Grand Palace Restaurant in San Francisco, CA. She graduated from Taiwan University (B.A., 1960). Mrs. Fang is married, has three children, and was born in Peking, China.

**Gwen Fraser**, of Washington. Mrs. Fraser is co-owner of Fraser Boiler, Inc., in Seattle, WA. She attended Seattle Community College,

1970-1973. Mrs. Fraser is married, has three children, and was born April 22, 1939, in Ope-lousas, LA.

**Thomas L. Gregory**, of South Carolina. Mr. Gregory is president of Gregory Electric Co., Inc., in Columbia, SC. He graduated from the University of South Carolina (B.S., 1949). Mr. Gregory is married, has two children, and resides in Chapin, SC. He was born April 4, 1926, in Columbia, SC.

**John T. (Jack) Harris**, of Virginia. Mr. Harris is president of J.T. Harris Co. (formerly Aycock's department stores) in Tappahannock, VA. He attended Lewisburg and Wesleyan Colleges. Mr. Harris is married, has three children, and resides in Dunnsville, VA. He was born March 19, 1945, in Columbus, GA.

**Stephen B. Herrick**, of California. Mr. Herrick is chairman of Import Parts America in Palo Alto, CA. He graduated from the University of California at Berkeley (B.S., 1960). He is married, has two children, and resides in Atherton, CA. Mr. Herrick was born July 26, 1937, in Berkeley, CA.

**John A. Kleppe**, of Nevada. Dr. Kleppe is president of Scientific Engineering Instruments in

Sparks, NV. He graduated from the University of Nevada (B.S., 1961; M.S., 1967) and the University of California (Ph.D., 1970). Dr. Kleppe is married, has three children, and resides in Reno, NV. He was born February 21, 1939, in Oakland, CA.

**Gay Conrad Kruglick**, of Arizona. Mrs. Kruglick is president of Joy-Etc., Ltd., in Mesa, AZ. She attended the University of Arizona and Mesa Community College. Mrs. Kruglick is married, has three children, and resides in Phoenix, AZ. She was born May 17, 1935, in Mesa, AZ.

**J. Michael Levesque**, of Rhode Island. Mr. Levesque is currently director of job development training in the Office of the Governor of Rhode Island. He graduated from St. Michael's College (B.A., 1975). Mr. Levesque is married, has two children, and resides in Providence, RI. He was born September 2, 1953, in Warwick, RI.

**Ben P. Talbot, Sr.**, of Arkansas. Mr. Talbot is owner of Talbot's Department Store in Magnolia, AR. He graduated from the University of Arkansas (B.S., 1950). Mr. Talbot is married, has two children, and was born August 25, 1928, in Texarkana, AR.

## Nomination of Six Members of the Peace Corps National Advisory Council

May 12, 1986

The President today has announced his intention to nominate the following individuals to be members of the Peace Corps National Advisory Council. These are new positions.

*For terms of 1 year expiring November 11, 1986:*

**Gary D. Robinson**, of Washington. Mr. Robinson is the industrial relations manager of the Boeing Co. He graduated from Southern Illinois University (B.A., 1964) and Case Western University (Ph.D., 1976). He is married and has two children. He was born August 9, 1938, in Colcord, WV.

**Laren R. Robison**, of Utah. Mr. Robison is associate dean of the College of Biology and Agriculture at Brigham Young University. He graduated from Brigham Young University (B.S., 1957; M.S., 1958; Ph.D., 1962). He is married and has six children. He was born March 25, 1931, in Georgetown, ID.

**Frank C. Kiehne**, of Pennsylvania. Mr. Kiehne is currently secretary for refugees and rehabilitation for the world alliance of the YMCA. He graduated from George Williams College (B.A., 1947; M.S., 1951). He is married and has two children. He was born February 2, 1925, in Burlington, IA.

**Sue Wagner**, of Nevada. Ms. Wagner is currently special assistant to the president of the Desert Research Institute. She graduated from the University of Arizona (B.A., 1962) and Northwestern University (M.A., 1964). She has two children. She was born January 6, 1940, in Portland, ME.

*For terms of 2 years expiring November 29, 1987:*

**Paul Koehler**, of Texas. Mr. Koehler is currently studying law at St. Mary's School of Law in San Antonio, TX. He graduated from Washington and Lee University (B.A., 1980). He is married and was born June 1, 1958, in Dallas, TX.

Alice Roxana Thompson, of Virginia. Mrs. Thompson currently serves as director of information of the International Brotherhood of Teamsters. She graduated from American Uni-

versity (B.A., 1971) and Catholic University (M.S., 1975). Mrs. Thompson is married and was born January 16, 1940, in Washington, DC.

## Proclamation 5475—Year of the Flag May 12, 1986

*By the President of the United States  
of America*

### *A Proclamation*

There is no greater, more beautiful, and instantly recognizable symbol of our Nation and its ideals, traditions, and values than the flag of the United States. The thirteen stripes of red and white remind us of the courage and steadfastness of those who pledged their lives, their fortunes, and their sacred honor to found this great experiment in republican government. The white stars on a field of blue stand for the 13 original colonies that formed the nucleus of the new Nation and the 37 states that have become part of our Nation since then. Those many stars recall the saga of our growth as we spanned a continent. The colors of our flag signify the qualities of the human spirit we Americans cherish: red for courage and readiness to sacrifice; white for pure intentions and high ideals; and blue for vigilance and justice. In recent years, citizen awareness, interest, and appreciation of the flag and its relationship to our American heritage have increased. More American families and businesses are buying and displaying the flag.

Nineteen eighty-six marks the 200th anniversary of the first call for a Federal constitutional convention and the year of rededi-

cation of the Statue of Liberty, another mighty symbol of what America means. Let it also be the year we as a people commemorate our flag as the proud banner that the winds of freedom lovingly caress, for which generations of patriots have fought and died—the sign and symbol of a people ruled by a constitution that protects all and enshrines our hopes and our history.

The Congress, by House Joint Resolution 424, has designated 1986 as the “Year of the Flag” and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim 1986 the Year of the Flag. To heighten citizen awareness of our flag, I urge all Americans to renew their appreciation of the flag and its relationship to our heritage, through appropriate celebrations honoring the flag.

*In Witness Whereof*, I have hereunto set my hand this twelfth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:21 a.m., May 13, 1986]*

## Proclamation 5476—Flag Day and National Flag Week, 1986 May 12, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Over two hundred years ago, in June 1775, the first distinctive American flags were flown over the colonial defenses during the Battle of Bunker Hill. One flag was an adaptation of the British Blue Ensign, while the other displayed the pine tree, a symbol of the experience of Americans who had wrested their land from the wilderness.

As the colonials moved toward a final separation from Great Britain, other flags appeared. At least two of them featured a rattlesnake, symbolizing vigilance and deadly striking power. One bore the legend "Liberty or Death"; the other, "Don't Tread on Me." The Grand Union Flag was raised over Washington's Continental Army Headquarters on January 1, 1776. It displayed not only the British crosses of St. Andrew and St. George, but also thirteen red and white stripes to symbolize the American colonies. The Bennington flag also appeared in 1776, with thirteen stars, thirteen stripes, and the number "76."

Two years after the Battle of Bunker Hill, on June 14, 1777, the Continental Congress adopted a flag that expressed clearly the unity and resolve of the patriots who had banded together in the cause of independence. The delegates voted "that the flag of the thirteen United States be thirteen stripes, alternate red and white; that the union be thirteen stars, white in a blue field representing a new constellation."

After more than two centuries, with the addition of thirty-seven stars, each representing one of our 50 States, the flag chosen by the Continental Congress on that June day in Philadelphia still waves over our Nation. This flag symbolizes our shared commitment to freedom and federalism and carries a message of hope to the afflicted, of opportunity to the oppressed, and of peace to all humanity.

To commemorate the adoption of our flag, the Congress, by a joint resolution ap-

proved August 3, 1949 (63 Stat. 492), designated June 14 of each year as Flag Day and requested the President to issue an annual proclamation calling for its observance and for the display of the Flag of the United States on all government buildings. The Congress also requested the President, by joint resolution approved June 9, 1966 (80 Stat. 194), to issue annually a proclamation designating the week in which June 14 occurs as National Flag Week and calling upon all citizens of the United States to display the flag during that week.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby designate June 14, 1986, as Flag Day and the week beginning June 8, 1986, as National Flag Week, and I direct the appropriate officials of the government to display the Flag of the United States on all government buildings during that week. I urge all Americans to observe Flag Day, June 14, and Flag Week by flying the Stars and Stripes from their homes and other suitable places.

I also urge the American people to celebrate those days from Flag Day through Independence Day, set aside by Congress as a time to honor America (89 Stat. 211), by having public gatherings and activities at which they can honor their country in an appropriate manner, especially by ceremonies in which all renew their dedication by publicly reciting the Pledge of Allegiance to the Flag of the United States of America and to the Republic for which it stands, one Nation, under God, indivisible, with liberty and justice for all.

*In Witness Whereof*, I have hereunto set my hand this twelfth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:22 a.m., May 13, 1986]*



## **Appointment of Johnathan S. Miller as Deputy Assistant to the President for Administration**

***May 13, 1986***

The President today announced the appointment of Johnathan S. Miller to be Deputy Assistant to the President for Administration. He will succeed Christopher Hicks.

Since August 1985 Mr. Miller has served as the Senior Director for Coordination at the National Security Council. Previously, Mr. Miller was the Deputy Coordinator for Public Diplomacy for Latin America and the Caribbean at the Department of State, 1983–1985; Peace Corps Director in Botswana, 1982–1983; special assistant to the Deputy Administrator, AID, 1981–1982;

and administrative assistant to Congressman William Goodling, 1981. Prior to joining the Reagan administration, Mr. Miller served in the Reagan-Bush campaign as tour director for George Bush and practiced law in Louisville, KY, with the firm of Miller and Miller.

Mr. Miller received his bachelor of arts degree from Duke University in 1975 and his J.D. from the University of Louisville School of Law in 1978. He is married and resides in Alexandria, VA. Mr. Miller was born October 9, 1952, in Louisville, KY.

## **White House Announcement of the Signing of the Acts of the Nineteenth Congress of the Universal Postal Union**

***May 13, 1986***

The President has signed the Acts of the Nineteenth Congress of the Universal Postal Union, negotiated at Hamburg in 1984, and expressed to the Postal Service Board of Governors and to the Postmaster General his concern that the Acts might be used in ways that would stifle private competition in the international mail arena.

Administration policy is to encourage free

enterprise in ways that will ensure better products and services at lower costs to our citizens. In line with this policy, the President has asked the Postal Service Governors and the Postmaster General to permit and promote marketplace competition in international mail and to influence other nations to do likewise.

## **Proclamation 5477—National Osteoporosis Awareness Week, 1986**

***May 13, 1986***

*By the President of the United States  
of America*

### ***A Proclamation***

Osteoporosis, a degenerative bone disease, affects 15 to 20 million Americans, mostly women, and takes a terrible human toll of pain, impaired mobility, and disruption of daily activities. Its victims lose their independence, and their families share in

the heartache.

Often called a silent disease, osteoporosis may begin and then progress without any warning signs. Bone mass decreases, causing bones to be more susceptible to fracture. Each year more than 1.3 million Americans over 45 years of age suffer bone fractures as a result of this malady. Fractures of the spine, hips, and wrist are the most common, although any of the bones may be affected.

As the number of elderly persons increases, so will the magnitude of the problem. However, we now know that osteoporosis may not be an inevitable part of aging. New research findings and new approaches to prevention, diagnosis, and treatment are being developed to eliminate osteoporosis as a cause of human suffering. Working together, the Federal government and private voluntary organizations have developed a strong and enduring partnership in osteoporosis research. I am confident we will uncover the cause and cure of this major public health problem and promote measures to prevent or delay its occurrence.

The Congress, by Senate Joint Resolution 285, has designated the week beginning May 11 through May 17, 1986, as "National Osteoporosis Awareness Week" and authorized and requested the President to issue a

proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 11 through May 17, 1986, as National Osteoporosis Awareness Week, and I urge the people of the United States and educational, philanthropic, scientific, medical, and health care organizations and professionals to observe this week with appropriate ceremonies and activities.*

*In Witness Whereof, I have hereunto set my hand this thirteenth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 2:47 p.m., May 13, 1986]*

## Remarks and a Question-and-Answer Session With Students of John A. Holmes High School of Edenton, North Carolina May 13, 1986

*The President.* Thank you all, and welcome to the White House, and thank you for coming. I want to congratulate all of you from John A. Holmes High School in Edenton, North Carolina, on your great achievements this year and on your upcoming graduation. And a special greeting to Rob Boyce, the principal of this fine school.

As you know, my remarks are being broadcast live over radio and television to high school students throughout the country. While I was in Tokyo at the economic summit, I found myself thinking about all of you, and I decided that when I got back it'd be good to report to you—share some thoughts that I've been having about the future.

In general, conditions in our country are about as bright as this very bright afternoon. I was worrying when I put that line in there that it might start to rain, and I'd have to say something else. *[Laughter]* We've been working to take an economy that was in bad shape and get it moving

and growing again; take our national defense and make it first-rate again after a long period of decline; and to restore reason, respect, and reality to our foreign policy. And I think it's fair to say that we've made a good deal of progress.

Only 5 years ago our economy suffered from high inflation, high interest rates, mushrooming government spending, and steadily increasing unemployment. A lot of people couldn't find jobs, and people on fixed incomes were finding it harder to buy the basics, such as food and shelter. Well, we got inflation down, interest rates down, and our economy created over 1½ million new jobs just last year alone. The poor are now increasingly able to dig themselves out of poverty, and that's been good economic news.

The good news in defense is that our Armed Forces, which were suffering from neglect and low funding, have now made a comeback. Morale is up in the services, and the quality of our men and women in uni-

form has never been better—and I mean never. As a matter of fact, we have the highest percentage of high school graduates in uniform today than we've ever had in the history of our nation, even back when we had the compulsory draft. In addition, our nation has encouraged a more realistic sense of defense needs.

In foreign affairs we've kept our friends close and the lines of communication with our adversaries open. We've tried to give the world the sense that the United States has a coherent and logical foreign policy that reflects our respect for freedom and our opposition to tyranny.

The point is that all we've done has had, and will continue to have, a direct impact on your lives. And the fact is, it's your future, not ours. And all that we've done, we've done with an eye toward how it would impact you. We want to make your future better, because tomorrow belongs to you. And since you're the leaders of tomorrow, I wanted to talk to all of you as a friend about the things you'll have to do to ensure a prosperous nation and a peaceful world. And I'm sure that peace and prosperity must be at the top of your agenda for the future.

You have some special responsibilities ahead of you—very important responsibilities. America is back, yes, but we still face major challenges in the world. And it's your generation that will have to accept the primary responsibility for tackling these challenges. It's important that you're fit for the future and that you be all that you can be. So, go for it! In the area of education you have a responsibility to try to learn and care about scientific and intellectual inquiry. The world is an increasingly competitive place. And if we're to compete, we'll have to do it with brainpower—your brainpower. So, keep learning and hit those books.

We have to remain economically competitive, and that means being aware of two things: first, what makes economies tick, and second, what works in other societies. We've been trying very hard in Washington to make America even more economically fit by really overhauling our entire tax structure. When we came into office, the top personal tax rate that the Federal Gov-

ernment could put on your income was 70 percent. Now, you can understand, I think, that if you were getting up in those brackets—there were 14 different tax brackets, depending on the amount of money in each bracket you earned. And when you could look and say, "If I earn another dollar, I only get to keep 30 cents out of it," you can imagine the lack of incentive there. Well, we lowered it to 50 percent, and the economy really took off. Now we're trying to lower it yet again so that families can keep more of their money and so the national economy will be lean and trim and fit for the future.

And it's your generation that will defend freedom from its adversaries. The biggest contribution you can make to that quest is to become a good citizen. Good citizenship is vitally important if democracies are to continue. Good citizenship means trying to understand the issues and great questions of your day. It also means voting. To vote is to take part in this grand experiment called democracy in America. It's your right and your responsibility to take part. Good citizenship also might mean considering going into teaching as a profession. There's a teacher shortage, as you may know. You could help ease the situation and give to others the advantages you've been given if you become a teacher yourself. And it's also important that you stay in school. That diploma counts. And I just want to personally congratulate those who have overcome some disadvantage and who stuck it out and will graduate this year.

And part of being a good citizen, part of being fit for the future so that you can meet America's agenda for the future, is seeing to it that you live your life with a clear mind and a steady intellect. And that means saying no to drugs. Nancy has traveled across the country talking to young people like you. And many of them have talked to her about the allure of drugs, about the drug culture, and the kind of peer pressure that you come under to experiment and try out drugs. But when you come right down to it, drugs are just a dead-end street. They have nothing to offer you. I think you also ought to remember we only get one set of machinery. If you wear this set out, you

can't take it and trade it in someplace for a used one or a new one. So, what you do now and early in your life decides how able you're going to be to enjoy yourself when you get to be my age.

And I want to tell you, I'm enjoying myself. I've talked to young people from China to Europe to the islands in the Caribbean. And let me tell you, they're incredibly bright and talented, and they're going to create quite a future for themselves. And you can't keep up or catch up if you allow your mind to be clouded by drugs.

Well, that's more or less what I wanted to say to you today. I'll be talking to many young people over the next few months, and I'll be expanding on certain points and amplifying certain themes. But for today, before your questions, I just want to let you know that I have been thinking about you very much. You are a special generation, and you're facing special challenges. And the biggest is to be ready for a future that will prove to be demanding and exciting. Soon, we'll enter the 21st century, a time that'll have more than its share of great wonders. The next 10 or 15 years may well be the most exciting and challenging in the history of man. There's the continuing revolution in technology, the possibility of curing diseases that have stalked us from the caveman era. There's the marvelous conquest of space, a rich frontier whose riches we've barely glimpsed. And there's the struggle between the democracies and those countries which are not democratic.

All of these possibilities bring with them questions. And it's your generation that will have to answer them. That makes you all very important, indeed. You have much before you. And all I can say is that you've begun brilliantly. Continue to pursue excellence. Be proud of your country and its heritage, and be proud of yourselves, as we are proud of all of you.

Now, that's all I had to say in terms of prepared remarks. What I really want to do is take your questions. And I understand that Rob Miller will be asking the first question. So, Rob, step up to the microphone, and we'll begin.

Q. Mr. President, my name is Rob Miller, and I expect to attend East Carolina University next fall. Before I start, I'd like to

say that I wish you could run for a third term so I could vote for you next time. [Laughter]

*The President.* Well, thank you very much. They kind of fixed that with the 22d amendment. [Laughter]

#### *Views on the Presidency*

Q. My question is: What do you enjoy most about being President of the United States?

*The President.* Oh, there are so many things, and many things that you don't enjoy, also. I think the greatest is that every once in a while something comes to your attention—maybe it's something you read in the paper about some unfortunate person, or you get a letter that someone managed to get through about some problem that, evidently, there isn't any regular program to solve, and you find that you can solve it. And I know of one case of a baby that had to have a transplant, and we were able to arrange that. And then, just a short time ago, I had the pleasure of seeing that little girl who had been a baby at the time of the transplant, and she came here with her parents to the White House. But it's things like that where you find that being in this position enables you to reach out and touch and get something of that kind done. And you go home feeling 10 feet tall and very happy.

Q. Thank you, Mr. President.

*The President.* Thank you.

#### *Teacher Shortage*

Q. Mr. President, my name is Stacie Self, and I will be studying mechanical engineering at North Carolina State University. Many of us are planning to continue our education and go on to be doctors, lawyers, engineers. However, very few, if any of us, are planning to become teachers. Does this concern you? If so, what measures are being taken to encourage more people into entering this profession?

*The President.* Well, we have been doing some things. As you know, I appointed a commission to come up with a report on excellence in education, and they brought many suggestions. And since the Federal Government does not control education—

it's controlled at the State and local level—we, then, sent our missionaries out to tell the States and to provide this report to them. Some of them had to do with this very problem of teachers. And the result is that many States now are putting in merit pay for teachers—that, in addition to a set of classified salary scales for teachers, that teachers who rise above the norm and do exceptionally well can be rewarded as they would be in any other business or industry with an increase in pay. We also have made quite a considerable sum available to stimulate the teaching of instructors in math and science and so forth. So, we are working toward that end. I can't recall when we've faced a shortage of teachers as is facing us in the near future. And they are all important. So, we're going to continue doing everything we can to encourage going into that profession.

*Q.* Thank you, sir.

#### *Social Security*

*Q.* Mr. President, my name is Sandra Roundtree, and I'll be attending North Carolina Central University this fall to have a major in computer science. Most of us are getting ready to start paying Social Security. Do you think we will be able to receive it when we retire?

*The President.* Social Security? Yes. When we came here I was very disturbed, and I got myself in a lot of trouble, because in an election year some people sort of distorted what I was trying to say. But Social Security was in trouble. As a matter of fact, we knew when we came here that, as far as we could see, Social Security by July of 1983 was going to be bankrupt in the way it was going. And when the election year of '82 was over and it was no longer a political issue, then we put together a bipartisan commission made up of representatives of the Congress, the Government, and the private sector. They did a study and came back with a recommendation for a complete reform. And as far as we can see now, Social Security is on a sound financial basis as far as we can see into the next century. So, yes, it will be there.

*Q.* Thank you, sir.

#### *Farm Industry*

*Q.* Mr. President, my name is Martha Felton, and in the spring I plan to attend Johann College to study journalism. My question is: First of all, we've seen, all of us, the specials and news reports concerning the financial status of the American farmer. And I was wondering, could you explain to us what you think the future holds for the family farmer?

*The President.* Yes, for one thing, we have to get farming back into the marketplace, instead of under the Government regulations and subsidies and programs that we've had for the last 50-odd years. This isn't a purely American problem. At the Tokyo summit, the representatives of the seven countries around the table—all of us recognized that governments were, in a sense, subsidizing the overproduction of food in the world. We've been so used, over the centuries, to calling it a hungry world; but today virtually every country that once was an importer of foodstuffs is now an exporter.

So, one of the things we decided, after lengthy discussion, was to put together an international team of experts and see how we could meet this particular problem. But I can't help but call attention to the fact that in our country a large part of farming was never in the government farm programs. And that part of farming has not had the troubles that we see now among our farmers. And so, we have to recognize that government has to bear a responsibility for part of what has happened. And we're trying to find a way out, but with compassion for those people who must not just be allowed to wither on the vine. But our main problem is that we have induced overproduction; we're producing more than there's a market for. And we've got to find an answer to that, and yet an answer that does not suddenly hurt some individuals.

*Q.* Yes, sir. Thank you, sir.

*The President.* All right. Incidentally, for those that wonder whether we're doing anything, in the last few years we've been spending more on the farm program than has ever been spent in our history.

### *Tax Reform*

*Q.* Mr. President, my name is Robert Keeter, and I'll be attending East Carolina University next year. I would like to know what do you feel has been your greatest achievement as President?

*The President.* I'm delighted to answer that one. There are a number of things that I've thought we did rather well and was proud of. But right now, the fact that both the Senate and the House have passed tax reform legislation for the income tax—meaning that when we can get those two together—one of their programs they passed, I don't like at all. The other one's pretty good. But both of them can be improved. This, I think, would be the greatest achievement. We have had an income tax system that was passed in 1913 and has grown to be such a monster that virtually—well, the main part of the people in our country have to hire professional help to find out how much they owe the Government. And the tax is such that if you make a mistake, the Government then comes back and penalizes you and charges you a fine for having made a mistake. At the same time, the Government has warned you not to seek advice from their own employees, because their own employees don't understand the law. And, therefore, you'd be penalized for their mistake.

Now, as I told you, 14 brackets in the income tax and—all the way up to 50 percent. When I was in motion pictures—and as you know, motion pictures do pay a little above the average scale if you make a go of it—you'd come to a time the top bracket was 90 percent. Well, you'd come to a point in which you were in the 90-percent bracket. And somebody would offer you a fine picture, and you'd just love to do it. But you said, "I'm not going to do that picture for 10 cents on the dollar."

Well, today this tax that the Senate—or bill that the Senate has passed has only two brackets: 15 percent and then 27 percent. Meaning that there would always be an incentive, even if you're in the 27-percent bracket, because you're going to get to keep 73 cents out of every dollar you earn no matter how many dollars those are. And it's been simplified to the place that you

won't need a public accountant to tell you how much you owe. You can figure out your tax yourself. It's fair. There will be about 6 million people at the bottom of the scale who'll be dropped from having to pay any income tax at all. And about 80 percent of the people will be in that 15-percent bracket.

So, I think the fact that we have finally gotten the Congress of the United States to deal with this problem of tax reform is the greatest achievement. And I'm going to be riding herd all the way to see that we finally get it through.

*Q.* Thank you, sir.

*The President.* All right.

### *Nuclear Disarmament*

*Q.* Mr. President, my name is David Rosenblatt, and I'm currently trying to gain admission into the United States Naval Academy. My hope is to graduate from the Academy and become a career officer, United States Marine Corps. Mr. President, what do you recommend to my generation—what steps do you recommend that we take to avert the possibility of a future nuclear war?

*The President.* I think the path that we have—trying to be on—and if we can persuade our Soviet counterparts to go with us, is the path. And that is to start a program of mutual reduction of nuclear weapons leading to, as soon as possible, the total elimination of such weapons. As you know, we have the most stupid policy today. We inherited this from years back. It's called mutual assured destruction. And because the Soviet Union had built up such a massive force, then we built up a deterrent force. What do we mean by deterrent? Well, we know we're not going to shoot the first one. But if they attack, then we must have enough so that our retaliatory blow will deliver unacceptable damage to them. And that's supposed to keep them from shooting the first missile at us.

Well, doesn't it make a lot more sense, instead of living under that threat that some madman might push that button, let's get rid of those weapons? But then, over and above that—what we're trying to do—let's get rid of the mistrust between the

East bloc and the West bloc so that there's no need for any war. Someone has wisely said that nations don't distrust each other because they're armed. Nations arm themselves because they distrust each other. So, if we can eliminate that—and that's what we're trying with these summit meetings and so forth. But may I wish you well in the career you've chosen and tell you that of all the things I'm proud of in this job, I'm more proud of the young men and women in uniform than I can say. I'm bursting with pride. They're doing such a great job.

*Q.* Thank you very much, Mr. President.  
*The President.* You bet.

#### *Employment Opportunities*

*Q.* Mr. President, my name is Laura Bond. I will be attending North Carolina A&T State University to major in industrial engineering. As high school seniors, many of us will soon be seeking employment. What do you feel is the employment status for us next year?

*The President.* Employment in the United States? I have to say the prospects are good, because while we still show, say, a 7-percent unemployment rate, that is based on considering everyone, male and female, in the United States between the ages of 16 and 65 as the potential work force. Today we have the highest percentage of that sum total work force employed ever in our history: 110 million people working. And in the last 40 months we have created 10 million new jobs. And we're going on still at that same rate, as I said a million and a half just in the last year.

So, yes, the prospect for you is fine. And can I just take a second and tell—when you said “industrial engineering,” that means the people that design the assembly lines and everything. I was once visiting a plant where they made lightbulbs. And I watched these people sitting, as down one line came the glass bulb, and down the other came the brass fixture, and they would take them and put them together. But I noticed one elderly woman working there. And she was crossing arms and doing it. *[Laughter]* And that looked pretty complicated to me. And later on I was talking to some of the executives of the plant about that and calling attention to her. And one fellow's face

began to get red. And finally, I noticed them all laughing, and I said, “What is it?” He was the one that had decided they should change that line. The glass used to come down this side, and the brass used to come down this side, and for some reason he thought they ought to change the two lines. But she'd been doing that for 35 years, and she wasn't about to change. She crossed—*[laughter]*. So, watch out for that.

#### *Political Careers*

*Q.* Excuse me. Mr. President, my name is Georgie Robison, and I will be attending Hollins College to study political science. What advice can you give a young high school student who is hoping to pursue a career in politics and possibly seeking the Presidency? By the way, I'm a Republican. *[Laughter]*

*The President.* Well, I want to encourage you. Let me just say that about this. First of all, you want it not just for the job; you want to be sure that there are things that you believe deeply in and that you would like to try and see are done for the betterment of our nation and the people. And then, I would suggest that first of all you get involved in helping in politics—your local or county headquarters. When election year comes along, volunteer to help to go door to door, to do all the things that need to be done in an election. And in that way, you learn where it is that you think would be the best way for you to start.

Now, there are two ways of going into government. There is that, running for office and then seeking the next opportunity to go up. The other is not the elective process, but to look at the career possibilities in government, of becoming a government employee. And many times that also then leads to elective office. But the opportunities are there. But as I say, you must want, inside of you, to do things for the public good, not just say, “Oh, that looks like a nice job. I'll try that.” So, I think you'll do it the right way. And, as I say, your postgraduate course can be volunteering and helping. And thus you get acquainted, and you understand how the process works, and you get acquainted with the people that would help you get elected to

an office. And it also helps if pretty soon, instead of you having to volunteer, somebody comes to you and says you ought to run for—and then you grudgingly give in.

*Q.* Thank you, Mr. President.

*The President.* You bet.

*Note: The President spoke at 1:01 p.m. in the Rose Garden at the White House. His remarks were broadcast on the Instructional Television Network.*

## Statement by Principal Deputy Press Secretary Speakes on the President's Meeting With Natan Shcharanskiy

May 13, 1986

The President met privately with Natan Shcharanskiy for 30 minutes today in the Oval Office. Vice President Bush, Secretary Shultz, Donald Regan, and John Poindexter were also present.

Mr. Shcharanskiy thanked the President for his unflagging support for human rights in the Soviet Union and his role in securing his release from a Soviet prison camp. He gave the President his assessment of the situation of Soviet Jewry, particularly the plight of 400,000 Soviet Jews who have expressed a desire to emigrate from the Soviet Union. He urged the President to continue his efforts on their behalf.

The President expressed his admiration for Mr. Shcharanskiy's courage and fortitude and reaffirmed his determination to do everything possible to help those who have been denied the right to emigrate, practice their religion, or maintain their Jewish identity. The American people and the world will not forget them.

*Note: George P. Shultz was Secretary of State, Donald T. Regan was Assistant to the President and Chief of Staff, and John M. Poindexter was Assistant to the President for National Security Affairs.*

## Remarks to the Tax Reform Action Coalition

May 14, 1986

I hope I haven't kept you waiting, but somebody had to run the store. *[Laughter]* Well, it's a pleasure to be with you again. During the last election, I promised to support an overhaul of the tax system from top to bottom. And every time I talked about it there were cheers from the audience and a gigantic ho-hum from the pundits. And, as usual, the people have been way out ahead of Washington insiders on this issue. The special interests in the Nation's Capital seem to have taken the taxpayers for granted once too often.

It reminds me a little bit of a story, and I hope I haven't told you this story before. *[Laughter]* But if I have, you've got to remember that life not only begins at 40 but

so does the tendency to start telling stories over and over again. *[Laughter]* It's about a businessman who—just down at the entrance of his building there was an elderly lady selling pretzels. And every day he'd go by and he'd put a quarter down, never take a pretzel, and go on in. He was being very charitable. And this went on for some time. And he came along one day, put down his quarter, started—and she took him by the arm. And he looked at her, and he said, "Well, you probably want to know why for this full year I've been leaving 25 cents on the plate and not taking a pretzel." And she said, "No, I just wanted to tell you that pretzels are 35 cents now." *[Laughter]*

But it was less than a month ago that we



were told that tax reform was dead. And the one thing about Washington, there are plenty of people around to tell you why something can't be done. And if I was cynical enough to believe that real change is impossible, I wouldn't have run for this job. Democracy's a cumbersome process. Like Winston Churchill said, "Democracy is the worst form of government except all those other forms that have been tried from time to time." I think the bold and innovative tax program that was passed through the Senate Finance Committee by Bob Packwood and his bipartisan coalition is a major victory for the democratic process. It's the kind of straightforward, hard-hitting proposal that's enough to restore one's faith—a faith some of us never lost—that this truly is a system of the people, by the people, and for the people. It's a good proposal, and pardon me for resurrecting an old phrase, but we should go for it.

It was about a year ago when I called on Congress for a second American revolution. I spoke about the need to transform an unfair and overly complex system, a source of resentment and confusion, into a fair and simple tax code. One that would serve the general interest instead of the special interests, and one that would encourage business to grow and produce. I said then, and I still say, business leaders—small and large—should be permitted to quit spending their time concentrating on the tax angles and get back to thinking about supply and demand.

Our original proposal, to say the least, got a little bogged down as it went through Congress. We fought hard—and that means all of us on the White House team—Jim Baker's team over at Treasury, everyone else in the administration—but the Washington establishment was fighting just as hard, trying to sink tax reform. Interest groups drilled one little hole after another in the hull of the tax reform boat, and when they got done, they proclaimed it wouldn't float. Well, that's not what I call good government. And what has happened in these last few weeks is evidence that there are still a lot of people in this town who are committed to good government and to following the will of the people. The proposal that passed the Senate Finance Committee

meets the criteria I set down for tax reform. Starting right now, getting it passed and signing it into law is a top priority. It simplifies the mind-boggling tax rate structure, making it more understandable and fair. And it reduces the personal income tax rates to their lowest levels in over half a century.

And talking to some people about tax reform, I made a point the other day, just shortly after April 15th, that mine was all made out for me, and they sent it to me and even with it all filled out I couldn't understand it. There will be only two rates under the new plan: 15 and 27 percent. The overwhelming majority of people—over 80 percent—will pay a tax rate of 15 percent or less and most will enjoy a reduction in their tax obligation.

The effort is designed to be revenue-neutral, so if a large number of people and businesses are paying less, some people and businesses will be paying more. But those whose taxload will increase are those who have made extensive use of tax shelters and other schemes and have not really been paying proportionately a fair share of the tax burden. However, lowering the rates does not translate as tax shift. Lowering the rates and broadening the base will actually add to government revenue. As far back as the 14th century, a Moslem philosopher named ibn-Khaldun observed, "... At the beginning of a dynasty taxation yields a large revenue from small assessments. At the end of the dynasty taxation yields a small revenue from large assessments."

By lowering the rates, we'll encourage resources to flow from tax shelters to productive economy-building investment. By lowering the rates, we'll encourage the entrepreneurial spirit of the work ethic by letting people keep more of what they earn. This is the way to build a stronger and more powerful economy—one that produces more for everybody, including a broader tax base for the Government. You know, I've often wondered how much the Government really got from some of those tremendously high marginal rates. Because when I was back in Hollywood, where the pay scale is a little above the average, I know I would reach a point and then some-

one would send a script—and gee, it would look like a good part and something I'd like to do. But I'd already reached the 90-percent bracket. [Laughter] And there wasn't any way I was going to spend a couple of months working for 10 cents on the dollar. [Laughter] So, they didn't get much for their—in that particular rate.

My Council of Economic Advisers tells me that the Senate Finance bill, with its added incentives and efficiencies, could increase our country's growth rate nearly 10 percent over the next decade. That could mean as many as 4 million additional new jobs over that period. That could mean as much as \$600 to \$900 of more real income per household each year. Business men and women don't have to be told what more money in the pockets of consumers will do. Lower rates aren't the only pluses, however, to the Finance Committee proposal. The personal and dependents exemption will be raised \$2,000 for all middle- and low-income Americans. It'll remove 6 million working poor from the income tax rolls altogether.

And finally, in the area of fairness, it provides for a minimum tax of 20 percent on certain items of tax preference. And I have an uneasy feeling that maybe the gentlemen sitting behind me have already told you all these things. But too often in the past, tax provisions aimed at encouraging business expansion were used as escape vehicles to get away from paying any taxes at all. Those of you who've been working long

hours, in part, to make up for the taxes your competitors aren't paying, will be pleased to know: The day of the free ride is over. Overall, this bill is a giant step forward. And I hope I can count on each of you to do your utmost to see to it that no holes are drilled through the bottom of this tax reform boat before we get a chance to launch her.

Nancy has devoted herself in these last few years to the battle against drug abuse. And I'm very proud of everything she's doing in this truly noble endeavor. And she's been promoting one method of fighting drug abuse that may have some application to the battle for tax reform. It's now the title of an organization of school kids all over the country. And so, I hope you'll take this message to Members of Congress concerning this tax proposal. Tell them when the special interests come around they should "Just say no." [Laughter]

Now, I want to thank you—all of you—for what you've done and what I know you're going to do on this important issue. Just before the last income tax day you sent over a T-shirt to me inscribed with "Let's make today the last April 15th without tax reform." Well, I loved it on a T-shirt, and I love it in reality, and together, I think we can do just that. So, thank you all again. God bless all of you.

*Note: The President spoke at 11:32 a.m. in Room 450 of the Old Executive Office Building.*

## Nomination of Cynthia Shepard Perry To Be United States Ambassador to Sierra Leone

May 14, 1986

The President today announced his intention to nominate Cynthia Shepard Perry to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Sierra Leone. She would succeed Arthur Winston Lewis.

Mrs. Perry began her career in 1957 as a secretary with Nichols Investment Corp. in Terre Haute, IN. In 1962 she went with

IBM Corp. where she worked until 1967 as a secretary in Terre Haute and then educational representative, Ohio region of the IBM office products division in Indianapolis. From 1968 to 1971, she was director of the National Teacher Corps at the University of Massachusetts School of Education and a doctoral student. In 1971 she became an associate professor of education and associ-

ate director of Teacher Corps/Peace Corps, Texas Southern University, in Houston until 1974. From 1974 to 1976, Mrs. Perry was an in-country Peace Corps trainer, Kenya (consultant); lecturer in philosophy at the University of Nairobi; United States Information Service consultant in Kenya, Nigeria, and Zambia. In 1976 she was staff trainer at the United Nations Commission for Africa in Addis Ababa, Ethiopia, and in 1978 became dean of international student affairs and professor of education at Texas Southern University in Houston, TX. From

1982 to present, Mrs. Perry has been Chief, Education and Human Resources Division, Office of Technical Resources, Africa Bureau, Agency for International Development.

Mrs. Perry was born November 11, 1928, in Terre Haute, IN. She received her B.S. in 1968 from Indiana State University and her Ed.D. in 1972 from the University of Massachusetts. Her foreign languages are Spanish and Swahili. Mrs. Perry is married to James Olden Perry, Sr. They have six children and reside in Washington, DC.

## **Appointment of Eugene F. Murphy as a Member of the President's National Security Telecommunications Advisory Committee**

*May 14, 1986*

The President today announced his intention to appoint Eugene F. Murphy to be a member of the President's National Security Telecommunications Advisory Committee. He would succeed William C. Hittinger.

Since 1964 Mr. Murphy has been with the RCA Corp., when he became an attorney for RCA Global Communications and later vice president and general counsel, 1969; executive vice president for operations, 1972; president and chief operating officer of RCA Global Communications, 1975; and chief executive officer, 1976. He

was elected a group vice president of RCA Corp. in 1981 and has continued to serve as chairman and chief executive officer of RCA Communications, Inc., while in his present position as executive vice president for communications and electronic services which he assumed in 1985.

Mr. Murphy graduated from Queens College (B.A., 1956), Fordham University (LL.D., 1959), and Georgetown University (M.L., 1964). He is married, has eight children, and resides in Plandome, NY. Mr. Murphy was born February 24, 1924, in Flushing, NY.

## **Appointment of Milton Himmelfarb as a Member of the United States Holocaust Memorial Council**

*May 14, 1986*

The President today announced his intention to appoint Milton Himmelfarb to be a member of the United States Holocaust Memorial Council for a term of 5 years expiring January 15, 1991. He would succeed Harry J. Caragas.

Mr. Himmelfarb is presently contributing editor of *Commentary* magazine in New

York City. Previously he was director, information and research services for the American Jewish Committee. He has served as a visiting professor at the Jewish Theological Seminary and the Reconstructionist Rabbinical College and as a visiting lecturer at Yale College.

Mr. Himmelfarb graduated from City

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College of New York (B.A., 1938; M.S., 1939). He is married, has seven children, and resides in White Plains, NY. He was born October 21, 1918, in Brooklyn, NY.

## **Appointment of Earl Walker as a Member of the President's Commission on White House Fellowships**

*May 14, 1986*

The President today announced his intention to appoint Earl Walker to be a member of the President's Commission on White House Fellowships. He would succeed Judith Anne Walter.

Since 1981 Dr. Walker has been a permanent associate professor of American politics and public policy at the U.S. Military Academy. He was a visiting USMA professor and fellow in the Department of Public Policy at the National War College at Fort McNair in Washington, DC, 1984-1985; a White

House fellow at the Department of Energy and in the White House Office of Policy Development, 1980-1981; and an assistant professor and instructor at the U.S. Military Academy, 1975-1979.

Dr. Walker graduated from the U.S. Military Academy (B.S., 1967), the Massachusetts Institute of Technology (M.A., 1973; Ph.D., 1980). He is married, has two children, and resides in West Point, NY. Dr. Walker was born February 28, 1944, in Decatur, IL.

## **Appointment of Two Members of the Advisory Committee for Trade Negotiations**

*May 14, 1986*

The President today announced his intention to appoint the following members of the Advisory Committee for Trade Negotiations for terms of 2 years:

*Mary Jo Jacobi*, of Virginia. She would succeed Emory Williams. Since January 1986 Ms. Jacobi has been corporate vice president for Drexel Burnham Lambert, Inc. Previously she was a Special Assistant to the President for Public Liaison, 1983-1985. She graduated from Loyola University (B.A., 1973) and George Washington University (M.B.A., 1976). She resides in New York City and was born December 7, 1951, in

Bay St. Louis, MS.

*John D. Macomber*, of New York. He would succeed Stephen Danzansky. Since 1977 he has been with the Celanese Corp. as chief executive officer, as chairman in 1980, and most recently as president in 1983. Previously, he was associated for 20 years with McKinsey & Co., a management consulting firm, where he was a director and member of its managing committee. He graduated from Yale University (B.A., 1950) and Harvard University (M.B.A., 1952). Mr. Macomber is married, has three children, and resides in New York, NY. He was born January 13, 1928, in Rochester, NY.

## **Nomination of David Lowenthal To Be a Member of the National Council on the Humanities**

*May 14, 1986*

The President today announced his intention to nominate David Lowenthal to be a

member of the National Council on the Humanities, National Foundation on the Arts

and the Humanities, for a term expiring January 26, 1992. He would succeed Marcus Cohn.

Since 1966 Dr. Lowenthal has been a professor in the political science department at Boston College and served as its chairman from 1967 to 1974. Previously, he was an associate professor and chairman of the political science department at Wheaton College, 1958–1966; an instructor at

Harvard University, 1955–1958; and an instructor and assistant professor at North Carolina State College, 1950–1954.

Dr. Lowenthal graduated from Brooklyn College (B.A., 1943), New York University (B.S., 1946), New School for Social Research (M.A., 1948; Ph.D., 1953). He is married, has two children, and resides in Sharon, MA. Dr. Lowenthal was born February 1, 1923, in Brooklyn, NY.

## **Statement by Principal Deputy Press Secretary Speakes on Soviet General Secretary Gorbachev's Address on the Nuclear Reactor Accident at Chernobyl**

*May 14, 1986*

We are comforted by Mr. Gorbachev's assurances that "the worst is behind us" in dealing with the Chernobyl reactor tragedy. Our immediate concern, from the time we learned of the accident, was primarily for the well-being of the people in the area. This is why we offered our assistance. Our offer stands. We have noted Mr. Gorbachev's suggestions regarding further international efforts to enhance the safety of nuclear powerplants. We believe that they deserve the most serious consideration. We strongly support additional international efforts to ensure nuclear plant safety and prompt reporting on accidents.

We are distressed, however, that Mr. Gorbachev used the occasion of his otherwise reassuring presentation to make unfounded charges against the United States and other Western governments. On this score he has obviously been misinformed. There has been no effort by this government or its partners at the Tokyo Economic Summit to make political capital out of the Chernobyl tragedy. The United States Government at no point encouraged inaccurate reporting on the accident. If some reports carried in the mass media were in fact inaccurate, this was an inevitable result of the extreme secrecy with which the Soviet authorities dealt with the accident in the days immediately following it. Citizens of foreign countries and their governments had a legitimate interest in knowing the facts, since

their own health could be affected. In the absence of detailed, official information, the media reported what they could learn on their own. Any attempt to attribute legitimate foreign interest in a major catastrophe to devious political motives is as deplorable as it is without basis.

Unfounded accusations against others must not be used in an attempt to exonerate national officials from their obligation to inform the public promptly of accidents which may affect their health. Mr. Gorbachev also seems to be misinformed regarding the position of the United States and its allies on nuclear arms reduction. As the leaders who met at the Tokyo Economic Summit stated, "each of us supports balanced, substantial, and verifiable reductions in the level of arms," and in regard to the U.S.-Soviet agreement to accelerate work at Geneva, "we appreciate the United States negotiating efforts and call on the Soviet Union also to negotiate positively." The United States is eager to speed up negotiations to achieve a 50-percent reduction of strategic nuclear weapons as soon as possible. The United States has made concrete proposals and is waiting for a constructive Soviet reply.

Regarding a meeting between the President and General Secretary Gorbachev, the President has invited Mr. Gorbachev to visit the United States in late June to discuss the

entire range of issues between the two countries. Mr. Gorbachev has not yet responded to this invitation. Nevertheless, it is clear that a meeting between the two leaders is possible this year if Mr. Gorbachev desires.

So far as the question of nuclear testing is concerned, the United States has proposed

that U.S. and Soviet experts meet to initiate a dialog. We have as yet no Soviet response to this suggestion. It is difficult to understand the rationale for a meeting of our leaders confined to the nuclear testing issue, when the Soviet Union has up to now been unwilling to authorize a discussion at the expert level.

## **Statement by Principal Deputy Press Secretary Speakes on Proposed Defense Budget Reductions *May 15, 1986***

The President today informed the Congress of his deep concern regarding large reductions in his proposed defense program recommended by the House Budget Committee. The committee has proposed that the President's request for defense budget authority in 1987 be reduced by \$35 billion, from \$320 billion to \$285 billion. The committee-proposed level amounts to nearly a 6-percent real decline from FY 86 levels. The FY 86 level for defense was itself a 6-percent decline from the FY 85 budget. Thus the committee's proposal amounts to almost a 12-percent real decline from the FY 85 defense budget.

A 12-percent real decline in defense spending is hardly the "leveling-off" depicted by some. The committee recommendations, if approved, would cripple the combat readiness of our conventional forces and take unacceptable risks with our national security at a time when the immense Soviet military buildup continues uninterrupted. This radical, antidefense budget would tear down much of what we have built, together, these past 5 years and return us to that era of the 1970's, when the national defense was neglected and our country paid worldwide and dearly for that neglect. Has the Congress so soon forgotten the consequences of shortchanging national defense? The President cannot believe the American people, given the facts, would approve of what the House Budget Committee would have us do. Its recommendations, taken together, represent nothing less than a breach of faith with our common duty to

protect this nation.

While the impact of a \$35 billion reduction in FY 87 would be severe, this administration would seek to protect, to the extent possible, those programs and capabilities most vital to our national defense. These include the strategic modernization program, which also includes the Strategic Defense Initiative and improvements in command-and-control; our military personnel and the current force structure; and sensitive classified programs. Even so, there is no possibility that the large improvements in military personnel and readiness that have been achieved to date could be sustained in the face of a \$35 billion reduction recommended by the House Budget Committee. It would be very difficult to support the increases in the size of U.S. Forces already approved by the Congress; and program terminations and cancellation of proposed new starts would be unavoidable.

We would have to cut an entire division from the Army, an aircraft carrier battle group, and tactical fighter wings from both the Air Force and the Navy. Termination of critical mobility programs, such as the C-17 airlifter, would further postpone the capability we need to deploy forces rapidly over long distances. Other critical programs would be terminated as well. These would include programs like a new field artillery support vehicle, the Army helicopter improvement program, a new 120mm mortar and ammunition, the AV-8B and A6E/F attack aircraft, the F-15, the JSTARS new surveillance aircraft, the TR-1 reconnais-

sance aircraft, and a number of other needed programs.

We would have to stretch out or shelve research and development for over 50 programs. In addition, stretchouts in the procurement of over 25 weapon systems would result not only in later than planned deployment but also in rising costs because of production inefficiencies. Programs like the M-1 tank, the Bradley fighting vehicle, F-16 and F-18 fighters, the EA-6B electronic warfare aircraft, the SSN-688 and SSN-21 Class attack submarines, the CG-47 AEGIS cruisers, and many military construction programs would be affected. As you can see, planned and required force expansion across the spectrum of military capability would have to be cut back.

Munitions cutbacks would reduce our ability to sustain forces in combat. We would see direct impact on programs like the GBU-15 bomb; Maverick, Harm, Tomahawk, Sparrow, and Patriot missiles; lightweight, multipurpose ammunition, and ammunition-mobilization facilities. Reductions in spare parts, support equipment, and communications equipment would lead to lower operational readiness. Depot maintenance capability would be reduced. Ship repair backlogs would increase. Operations accounts already severely cut in 1986 would not increase sufficiently to support forces and equipment or satisfy essential readiness and training needs. In short, the impact on our defense capability would be pervasive and severe across the board.

In the final analysis, it is Congress that will determine specific funding levels for

individual defense programs. While the priorities the President has outlined are clear, it is impossible to predict the results of authorization and appropriation action. If such cuts are sustained, however, an action clearly damaging to our national security, the President will make every effort to see them carried out in the manner he has outlined.

The accomplishments of the past 5 years are now in jeopardy because of the defense reductions being considered in Congress. Congress approved and set in motion our program for rebuilding America's military strength. It would be wasteful and irresponsible to cut short this program by denying the funding necessary to carry it out. We did not spend the last 5 years making our military more competitive and America secure again only to undo it all in our second term. We must not return to the shortsighted and discredited policies of the past, which destroyed the confidence of our military personnel, undermined our military capabilities, and jeopardized America's security. The threat has not changed; this only increases the risk.

The decisions we make about our defense budget today determine the strength with which we can underwrite our security for years to come. The threat we anticipate, unfortunately, continues to grow. The House Budget Committee's proposed level for defense spending would increase the risk to each one of us by reversing the progress we have made and causing the gap between our national security requirements and our military capabilities to widen once again.

## **Proclamation 5478—Imposition of Quantitative Restrictions on Imports of Certain Articles From the European Economic Community**

*May 15, 1986*

*By the President of the United States  
of America*

### ***A Proclamation***

1. On March 31, 1986, I announced my

decision to take action in response to restrictions imposed by the European Economic Community (EEC) affecting imports of United States grain and oilseeds into Spain and Portugal, following the expansion

of the EEC to include those two countries. I have determined, pursuant to Section 301(a) of the Trade Act of 1974, as amended (the Act) (19 U.S.C. 2411(a)), that these restrictions deny benefits to the United States arising under the General Agreement on Tariffs and Trade (GATT) (61 Stat. (pts. 5 and 6)), are unreasonable, and constitute a burden and restriction on United States commerce.

2. Section 301(a) of the Act (19 U.S.C. 2411(a)) authorizes the President to take all appropriate and feasible action to obtain the elimination of an act, policy, or practice of a foreign government or instrumentality that 1) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement; or 2) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce. Section 301(b) of the Act (19 U.S.C. 2411(b)) also authorizes the President to suspend, withdraw, or prevent the application of benefits of trade agreement concessions with respect to, and to impose duties or other import restrictions on the products of, such foreign government or instrumentality. Pursuant to Section 301(a) of the Act, any such actions can be taken on a discriminatory basis solely against the foreign government or instrumentality involved. Section 301(d)(1) of the Act (19 U.S.C. 2411(d)(1)) authorizes the President to take action on his own motion.

3. In response to the EEC imposition of illegal restrictions on Portuguese imports of grain, oilseeds, and oilseed products, I have decided that expeditious action is required, and, pursuant to Section 301(a), (b), and (d)(1) of the Act, to impose quantitative restrictions on the articles provided for in Annex I to this proclamation that are the product of the EEC.

4. In response to the withdrawal of tariff concessions and the application of the EEC variable levy on Spanish imports of corn and sorghum, I have further decided, pursuant to Section 301(a), (b), and (d)(1) of the Act, to take steps to suspend temporarily the tariff concessions made by the United States under the GATT on articles described in Annex II to this proclamation, but to make no immediate change in the rates of duty for these articles set forth in

Rate of Duty Column 1 of the Tariff Schedules of the United States (TSUS). If by July 1, 1986, the EEC provides adequate compensation for the imposition of variable levies on imports of corn and sorghum into Spain, or if it is determined that other circumstances so warrant, I am authorizing the United States Trade Representative (USTR) to terminate any of these suspensions as appropriate. If such compensation is not provided, I will proclaim increased duties on these articles as appropriate. Having due regard for the international obligations of the United States, particularly paragraph 3 of Article XXVIII of the GATT requiring any suspension of trade agreement concessions to be made on a most-favored-nation basis, any duty increase on these articles will be made on a most-favored-nation basis.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including but not limited to Section 301(a), (b), and (d)(1) and Section 604 of the Act (19 U.S.C. 2483), do proclaim that:

1. Subpart B of part 2 of the Appendix to the Tariff Schedules of the United States is modified as provided in Annex I to this proclamation. These changes shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after May 19, 1986.

2. The tariff concessions under the GATT on articles listed in Annex II to this proclamation are suspended, effective on the thirty-first day following notification to the Contracting Parties to the General Agreement on Tariffs and Trade, and Part I of Schedule XX of the GATT is modified to conform to this action. The rates of duty for these articles set forth in the Rate of Duty Column 1 of the TSUS are not affected by this action and shall remain as previously proclaimed until such time as they are expressly modified.

3. The USTR is hereby authorized to suspend, modify, or terminate the quantitative restrictions on any of the articles covered by Annex I to this proclamation, and to terminate the suspension of the tariff concessions under the GATT on any of the articles



covered by Annex II upon the publication in the *Federal Register* of his determination that such suspension, modification, or termination is justified by actions taken by the EEC with respect to this matter or is otherwise appropriate, taking into account the interests of the United States.

*In Witness Whereof*, I have hereunto set my hand this fifteenth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the

United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:47 a.m., May 15, 1986]*

*Note: The annexes to the proclamation were printed in the "Federal Register" of May 16.*

## Memorandum for the United States Trade Representative on the Restriction of Certain Imports From the European Economic Community

*May 15, 1986*

### *Memorandum for the United States Trade Representative*

**Subject:** Determination Under Section 301 of the Trade Act of 1974

Pursuant to Section 301 of the Trade Act of 1974, as amended (19 U.S.C. 2411), I have determined that the quantitative restrictions on oilseeds, oilseed products and grains in Portugal and the uncompensated withdrawal of tariff concessions on corn and sorghum in Spain deny benefits to the United States arising under the General Agreement on Tariffs and Trade (GATT), are unreasonable, and constitute a burden and restriction on U.S. commerce. Pursuant to Section 301 of the Trade Act, I have determined, in response to the EEC's quantitative restrictions in Portugal, to proclaim certain quantitative restrictions on products of the European Economic Community. I have further determined, in response to the EEC's withdrawal of tariff concessions on corn and sorghum in Spain, to suspend United States tariff concessions on certain products, although current rates of duty will be maintained for the time being, pending efforts to negotiate suitable compensation. I am taking these actions to enforce U.S. rights and to respond to the EEC practices in question.

### *Reasons for Determination*

As part of the arrangements for the accession of Portugal and Spain to the EEC, the EEC: (1) has imposed restrictions on the importation into Portugal of oilseeds and oilseed products and on the consumption of vegetable oils (other than olive oil) in Portugal; (2) has required that a specified portion of Portuguese imports of grains be reserved for suppliers from other member countries of the EEC; and (3) has withdrawn Spanish tariff concessions and imposed variable levies on imports of corn and sorghum. These EEC actions apply from March 1, 1986. The average annual value of U.S. exports affected by the EEC actions exceeded a billion dollars in the 1981-1983 period.

In discussions with the EEC, we have sought the removal of the restrictions in Portugal, which we consider to be inconsistent with the General Agreement on Tariffs and Trade (GATT). We are also seeking, in accordance with our rights under GATT, appropriate compensation from the EEC for the tariff and variable levy actions in Spain.

On March 31, 1986, I announced that I would impose restrictions on imports of EEC products of comparable effect to the EEC's restrictions in Portugal unless and until we were able to resolve these matters.

Efforts to obtain a satisfactory resolution have not yet been successful. I also announced that, in response to the EEC's tariff and levy actions in Spain, I would withdraw U.S. tariff commitments in GATT on certain products, but would maintain the current level of tariffs in order to allow until July 1 for expedited negotiation of agreed compensation from the EEC. I will proclaim increased duties as appropriate if such agreement is not possible. To the degree those negotiations are successful, I will restore concessions.

I am taking these actions to enforce U.S. trade rights on important export interests. I

would strongly prefer a solution that would restore and encourage trade for all parties, and we will continue negotiating efforts toward this goal.

This determination shall be published in the *Federal Register*.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:46 a.m., May 15, 1986]

Note: The memorandum was printed in the "Federal Register" of May 16.

## Statement by Principal Deputy Press Secretary Speakes on the Restriction of Certain Imports From the European Economic Community

May 15, 1986

The President today proclaimed quotas on agriculture imports from the European Community in response to the EC's quotas on U.S. agricultural exports to Portugal. We have been assured by the EC that their quotas will have no immediate impact on our trade. As long as that remains the case, our quotas will be similarly nonrestrictive. However, should the EC's quantitative restrictions begin to restrict U.S. exports, the U.S. quotas will be adjusted to have a comparable effect or the President may substitute tariff increases for the quotas.

This action follows the President's announcement on March 31 that the U.S. would respond in kind to the EC's import restrictions on grains and oilseeds imposed in Portugal following that country's accession to the EC. The U.S. quotas will be effective May 19 on EC white wine with a value of more than \$4 per gallon, chocolate,

candy, apple or pear juice, and beer. The President indicated his willingness to suspend these measures and refer the matter to the General Agreement on Tariffs and Trade (GATT) if the EC will agree to do the same.

The President has also decided to suspend certain tariff concessions, effective in 30 days. The action will not increase tariffs, however, and the decision on any duty increases will be deferred until July to allow time for negotiation of compensation for EC tariff action affecting U.S. exports of feed grains to Spain.

This is a dispute the U.S. sought to avoid. But we cannot overlook the EC's unilateral actions which clearly violate GATT rules and affect some of our most sensitive exports. Our response is fair and measured. We hope the EC will respond in a way that will help us settle this disagreement without further damaging our trading relationship.

## **Statement by Principal Deputy Press Secretary Speakes on the Mutual and Balanced Force Reduction Negotiations** *May 15, 1986*

Today in Vienna representatives of NATO and the Warsaw Pact resume their efforts to reach a verifiable agreement that would reduce and limit conventional forces in central Europe. These negotiations, known as the mutual and balanced force reduction (MBFR) talks, have the important goal of creating a more stable balance of forces at an equal and significantly lower level in central Europe, the area of greatest concentration of armed forces in the world. The MBFR talks are at an important stage of their 13-year history. Last December 5 the President joined other allied leaders in making a new, far-reaching proposal aimed at finding out if the Soviet Union is seriously interested in moving towards an accord in these long-running negotiations.

The Warsaw Pact had asked for a time-limited, first-stage agreement calling for initial reductions by U.S. and Soviet ground forces, followed by a freeze on all forces of the two alliances remaining in the area. In its December proposal, the West agreed to this framework. The East also insisted that progress could be made only if the West dropped its demand that the sides agree on the number of forces each currently has in the area before reductions begin. We agreed to this also, despite the fact that this demand had been a crucial part of the NATO position for over a decade. We

hoped the East would reciprocate our concessions and agree to Western verification proposals, a central remaining prerequisite to forging a viable agreement. Unfortunately, the East was not forthcoming during the round of negotiations that ended in March. Despite General Secretary Gorbachev's public declarations endorsing realistic verification measures for conventional force reductions, the Soviets did not respond positively in Vienna. Indeed, in response to NATO's concessions, the Soviets and their Warsaw Pact allies actually moved backward by rejecting the Western proposals and recycling old, shopworn verification ideas the East had made 2 or 3 years previously.

The Soviet leadership has now had additional time to give full and careful consideration to the details of NATO's December 5, 1985, proposal. In East Berlin on April 18, General Secretary Gorbachev again asserted that his government is committed to achieving reductions in conventional forces and pledged that these reductions will be assured through dependable verification, including on-site inspections. The President has instructed the U.S. negotiator, Ambassador Robert D. Blackwill, working with his NATO colleagues, to put these Soviet public claims on verification to the practical test at the negotiating table in Vienna.

## **Statement on Signing the Bill Proclaiming the Year of New Sweden** *May 15, 1986*

I am very pleased today to sign S.J. Res. 289, a joint resolution that recognizes the important role the settlers of New Sweden played in forming our nation. Those settlers were Swedish and Finnish people who by their bravery and tenacity gave us a treasured legacy: They helped form our country, and they helped establish the pioneer spirit and hardy virtues that are the foundation

for our national character. The anniversary of their landing is an occasion to celebrate our origins and to remember that our friendship with Sweden and Finland has an intimate and historic beginning.

*Note: S.J. Res. 289, approved May 15, was assigned Public Law No. 99-304.*

## **Appointment of Susan E. Phillips as Chairperson of the Interagency Committee on Women's Business Enterprise**

*May 15, 1986*

The President today announced his intention to appoint Susan E. Phillips to be Chairperson of the Interagency Committee on Women's Business Enterprise. She would succeed Becky Norton Dunlop.

Ms. Phillips will continue as Associate Director in the Office of Presidential Personnel, a position she has held since 1985. She was Director of the Institute of Museum Services, 1983-1985; Director of the Office

of Intergovernmental and Interagency Relations at the Department of Education, 1982-1983; and director of research and publications for the Conservative Caucus Research Foundation, 1976-1982.

Ms. Phillips graduated from the University of Massachusetts (B.A., 1967) and Virginia Polytechnic University (M.B.A., 1985). She resides in Rosslyn, VA, and was born June 23, 1945, in Cambridge, MA.

## **Appointment of Theodore A. Johnson as a Delegate to the National White House Conference on Small Business**

*May 15, 1986*

The President today announced his intention to appoint Theodore A. Johnson to be a delegate to the National White House Conference on Small Business.

Since 1984 Mr. Johnson has served as chairman of the board of J-TEC Associates, Inc., a contracting firm that he founded in 1968. He has been recognized as Iowa Small Businessman of the Year in 1972; and J-TEC Associates has been selected as 1 of 36 contractors in the United States for contractor assessment program awards and by

the Department of Defense for excellence in meeting quality standards. He is active in various civic and business activities.

Mr. Johnson served with the U.S. Army Infantry from 1943 to 1946 and was awarded the Silver Star, the Bronze Star, the Combat Infantry Badge, and three Battle Stars. He graduated from the University of Iowa (B.A., 1948; J.D., 1951). He is married, has four children, and resides in Ely, IA. He was born December 28, 1924, in Fayette, IA.

## **Appointment of James L. Johnson as a Member of the President's National Security Telecommunications Advisory Committee**

*May 15, 1986*

The President today announced his intention to appoint James L. Johnson to be a member of the President's National Security Telecommunications Advisory Committee. He would succeed Warren B. French, Jr.

Since 1985 Mr. Johnson has served on the board of directors of the GTE Corp. and as senior vice president of GTE; president and

chief operating officer of its telephone operating group since 1983. Previously, he was president of the GTE telephone operating group, 1981-1983; group vice president for GTE northern region telephone operating group, 1978-1981; president of General Telephone Company of Illinois, 1976-1978; vice president and controller for GTE telephone operations, 1969-1976; and vice

president, controller, and treasurer for the General Telephone Company of the Southwest, 1966–1969.

Mr. Johnson graduated from Texas Tech-

nological University (B.A., 1949). He is married, has four children, and resides in New Canaan, CT. Mr. Johnson was born April 12, 1927, in Vernon, TX.

## **Appointment of Dalck Feith as a Member of the United States Holocaust Memorial Council**

*May 15, 1986*

The President today announced his intention to appoint Dalck Feith to be a member of the United States Holocaust Memorial Council for a term of 5 years expiring January 15, 1991. He would succeed Robert McAfee Brown.

Mr. Feith has been the owner of the Dalco Co. since 1947 and the chairman of

Lansdale Finishers, Inc., since 1956. He also serves on the board of directors of the Bank & Trust Company of Old York Road.

He has received an honorary Ph.D. from the Hebrew University of Jerusalem, 1979. He is married, has three children, and resides in Elkins Park, PA. He was born July 4, 1914, in Neibylec, Austria.

## **Nomination of Crocker Nevin To Be a Governor of the United States Postal Service**

*May 15, 1986*

The President today announced his intention to nominate Crocker Nevin to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 1992. He would succeed Frieda Waldman.

Since 1985 Mr. Nevin has served as chairman of the board and chief executive officer of the CF&I Steel Corp. Previously, he was managing director of Drexel Burnham

Lambert, Inc., 1976–1985; vice chairman of the board of Evans Products Co., 1974–1976; and with Marine Midland Bank of New York, 1952–1973, where he began as a trainee in the credit department and served as chairman of the board, 1968–1973.

He graduated from Princeton University (A.B., 1948). He is married, has four children, and resides in New York, NY. He was born March 14, 1923, in Tulsa, OK.

## **Appointment of Richard B. Lauber as a Commissioner of the United States Section of the International North Pacific Fisheries Commission**

*May 15, 1986*

The President today announced his intention to appoint Richard B. Lauber to be a Commissioner of the United States Section of the International North Pacific Fisheries Commission for a term expiring June 4,

1988. He would succeed Elmer Edwin Rasmuson.

Since 1969 Mr. Lauber has been vice president and Alaska manager with the Pacific Seafood Processors Association. Previ-

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ously, he was with the State of Alaska in various positions, including deputy commissioner for the Department of Health and Welfare; director, division of youth and adult authority; executive director for the Criminal Justice Commission; chairman of the Alaska Board of Parole; and district

court judge for the 1st judicial district, 1959–1969.

Mr. Lauber graduated from Southwestern University (LL.B., 1945). He is married, has two children, and resides in Juneau, AK. Mr. Lauber was born March 6, 1928, in Holtville, CA.

## Message to the Congress Transmitting a Report on Establishing an International Space Year in 1992

*May 15, 1986*

*To the Congress of the United States:*

I am pleased to submit the attached report on the desirability of establishing an International Space Year in 1992. The year 1992 will be very special indeed. It will mark not only the 500th anniversary of Christopher Columbus' historic voyage of discovery, but also it will be the 35th anniversary of the International Geophysical Year, which ushered in the space age.

A major objective of an International Space Year should be to maximize, through international cooperation, the achievements and benefits of the current and prospective space programs of the participating world community. Such efforts should emphasize the involvement of both the developed countries and the developing countries in ways that demonstrate the benefits to everyone from discoveries in space science

and the practical utilization of space.

In consulting the space agencies of other nations, the National Aeronautics and Space Administration found substantial international support for the idea of an International Space Year.

I am directing NASA to continue to lead an interagency effort to develop the idea of an International Space Year so that the United States will be fully prepared to move this concept forward internationally. I would also expect the National Academy of Sciences to play a key role in focussing discussion within the United States' scientific community regarding the scientific content of an International Space Year.

RONALD REAGAN

The White House,  
May 15, 1986.

## Proclamation 5479—Jewish Heritage Week, 1986

*May 15, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

American Jews have made immeasurable contributions to our country's economic, political, social, and cultural development. The remarkable and varied achievements of American Jews have greatly enriched the lives of all Americans, from medicine and mathematics to movies and the musical the-

ater.

It is appropriate at this time of year that we remind ourselves of the tragedy and glory of Jewish history. The Jewish people have recently celebrated Passover, the holiday that commemorates their deliverance by God from the bondage of Egypt to freedom in the Holy Land. Last week marked the observance of Yom Hashoa, the Day of Remembrance, and this week, Israeli Independence Day is celebrated. These events

remind us that Israel was reborn out of ashes of the Holocaust. These commemorations sustain our hope that someday the persecuted Jews of the Soviet Union will be delivered from bondage.

At this time of year, it is appropriate for all Americans to acknowledge how much our country has benefited from the contributions of American Jews. We should be proud that Jews in America have always been free to practice their religion and preserve their traditions. And the Jewish people have responded with an ardent patriotism once so eloquently expressed by one of America's foremost rabbis:

"God built Him a continent of glory and filled it with treasures untold. . . . Then He called unto a thousand peoples, and summoned the bravest among them. . . . And out of the bounty of earth and the labor of men, out of the longing of hearts and the prayers of souls, out of the memory of ages and the hopes of the world, God fashioned a nation in love, blessed it with a purpose

sublime, and called it—America!"  
Silver, "America," 1917.

The Congress, by Senate Joint Resolution 275, has authorized and requested the President to issue a proclamation designating the week of May 11, 1986, through May 17, 1986, as "Jewish Heritage Week."

Now, *Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim the week of May 11, 1986, through May 17, 1986, as Jewish Heritage Week. I call upon the people of the United States to observe this week with appropriate programs and activities.

*In Witness Whereof*, I have hereunto set my hand this fifteenth day of May, in the year of Our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 9:05 a.m., May 16, 1986]

## Proclamation 5480—National Defense Transportation Day and National Transportation Week, 1986

May 15, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Our Nation was founded on beliefs in basic human freedoms. Among these cherished freedoms is free movement of people and ideas. In exercising that freedom, Americans have developed the greatest transportation system the world has ever known. We can travel where and when we want, either by air, water, or land. We can move goods by airplane, railroad, ship, barge, and truck. This ability to travel and to ship goods is as important to our Nation's strength today as it was vital for the pioneers who settled this great Republic.

The first Federal highway built with national funds, the Cumberland Road, was begun in 1811. A century later, when the

Lincoln Highway opened to traffic in 1913, we had our first paved coast-to-coast road. Between now and 1990, we will complete funding for our greatest highway project yet, the Interstate Highway System. Great progress has already been made, and when it is finished, the Nation will be linked together with 42,500 miles of unbroken, limited-access roadway. This is the equivalent of circling the world almost twice without hitting a traffic light—an achievement that benefits not only business and pleasure travel, but greatly strengthens our national defense as well.

In a few months, we will be celebrating the 100th birthday of our great symbol of freedom, the Statue of Liberty. This magnificent lady watched as millions of people streamed across the Atlantic to our shores in pursuit of a dream—a land of opportuni-

ty, a country where people were free to go as far as their abilities could take them. Many of these immigrants became involved in designing and building our highways, bridges, railways, and airports. Their sons and daughters are working on new challenges, high-speed railways, hypersonic flight, and new technologies to make all travel safer. What the future will bring we can only guess, but improvement in the swiftness, safety, dependability, and economy of transportation will be an integral part of even greater prosperity and human fulfillment.

In recognition of the importance of transportation, and to honor the millions of Americans who serve and supply our transportation needs, the Congress, by joint resolution approved May 16, 1957 (36 U.S.C. 160), has requested that the third Friday in May of each year be designated as National Defense Transportation Day; and by joint resolution approved May 14, 1962 (36 U.S.C. 166), that the week in which that

Friday falls be proclaimed National Transportation Week.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate Friday, May 16, 1986, as National Defense Transportation Day and the week beginning May 11, 1986, through May 17, 1986, as National Transportation Week. I urge the people of the United States to observe these occasions with appropriate ceremonies that will give full recognition to the importance of our transportation system to this country.*

*In Witness Whereof, I have hereunto set my hand this fifteenth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 9:06 a.m., May 16, 1986]*

## Remarks at the Annual White House News Photographers' Association Dinner May 15, 1986

Well, thank you, Ken Blaylock, and thank you all. And, by the way, Ken, I understand that you were the first president of this organization to serve a third consecutive term. Congratulations! Hmm. Hey, a third term—that's not a bad idea. *[Laughter]* But it's an honor to be able to join the White House News Photographers' Association on your 65th anniversary. I guess I'd better begin with an apology for being a little late. I told the man at the hotel desk I was looking for a roomful of people in blue jeans. *[Laughter]*

But it's a relief to see you without all those foreign-made cameras for once. You know, I was told that as the press plane entered Tokyo airspace for the summit your equipment started beeping "Home, Sweet Home." *[Laughter]* But there isn't a person here who isn't willing to go to great lengths to get a good shot. Just this afternoon I

stepped outside the Oval Office to feed the squirrels. Six photographers came out of the bushes. *[Laughter]* It was okay; I had enough peanuts to go around. *[Laughter]*

You know, it's not easy having so many photographers around. For instance, I've told everybody my right side is my good side—my far right side. Keeping my right side to the cameras is no problem when I walk home from the Oval Office in the evening. But morning it's a different thing. Do you know what it's like to start the day by walking to the office backwards? *[Laughter]*

Tip O'Neill once asked me how I keep myself looking so young for the cameras. I told him I have a good makeup team. It's the same people who've been repairing the Statue of Liberty. *[Laughter]* Now, I know that sometimes there's a little professional jealousy between you and the other news



people at the White House, especially the TV reporters. One item I hear from time to time is how much more those TV journalists get paid. But you have to understand how they have to spend the difference on hairspray. [Laughter]

But to be serious for just a moment, your work has an appeal and a power all its own. The TV reporter is on for a few minutes, and then he's off. Your work lasts. The print journalists may be able to analyze and explain a story at length. Your work presents a story in a second, vividly, unforgettably. It was a photographer, Mathew Brady, who gave us the images of Lincoln that fix the face of that great President in the mind of every schoolchild. It was news photographers who gave us pictures of the epic battles in World War II: The marines struggling to raise the flag on Iwo Jima; landing barges crashing ashore on the Normandy beaches. And it's news photographers, the photographers here in this room, who have shared with the country both the high drama and the simple humanity of this office, of the Presidency, snapping, for ex-

ample, J.F.K. concentrating at his desk while John-John played on the floor. Your work is not passing like so much of the news, but a living part of our historical record.

And now, I've talked long enough. And, Ken Blaylock and Paul Lyons, I think you're supposed to come over here and, between the three of us, we're to present some awards.

[At this point the awards were presented.]

Well, congratulations to the honorees who have come up here and to all of you. Thank all of you very much, and God bless you.

*Note: The President spoke at 7:40 p.m. in the Regency Ballroom at the Shoreham Hotel. Kenneth Blaylock was the president of the association, and Paul Lyons was a freelance photographer. Steven Affens, of WJLA-TV, received the TV Tape and Film Cameraman of the Year Award; and Frank Johnston, of the Washington Post, received the Still Photography Award. The two honorees jointly received the Grand Award in recognition of their achievements.*

## Executive Order 12557—Establishment of Emergency Board No. 209 To Investigate a Railroad Labor Dispute May 16, 1986

*Establishing an Emergency Board To Investigate Disputes Between the Maine Central Railroad Company/Portland Terminal Company and Certain of Their Employees Represented by the Brotherhood of Maintenance of Way Employees*

Disputes exist between the Maine Central Railroad Company/Portland Terminal Company and certain of their employees represented by the Brotherhood of Maintenance of Way Employees.

These disputes have not heretofore been adjusted under the provisions of the Railroad Labor Act, as amended (the "Act").

These disputes, in the judgment of the National Mediation Board, threaten substantially to interrupt interstate commerce to a degree such as to deprive a section of the

country of essential transportation services.

Now, Therefore, by the authority vested in me by Section 10 of the Act (45 U.S.C. § 160), it is hereby ordered as follows:

*Section 1. Establishment of Board.* There is hereby established, effective May 16, 1986, a board of three members to be appointed by the President to investigate these disputes. No member shall be pecuniarily or otherwise interested in any organization of railroad employees or any carrier. The board shall perform its functions subject to the availability of funds.

*Sec. 2. Report.* The board shall report its findings to the President with respect to these disputes within 30 days from the date of its creation.

*Sec. 3. Maintaining Conditions.* As pro-

vided by Section 10 of the Act, from the date of the creation of the board and for 30 days after the board has made its report to the President, no change, except by agreement of the parties, shall be made by the carriers or the employees in the conditions out of which these disputes arose.

*Sec. 4. Expiration.* The board shall terminate upon the submission of the report pro-

vided for in Section 2 of this Order.

RONALD REAGAN

The White House,  
May 16, 1986.

*[Filed with the Office of the Federal Register, 4:49 p.m., May 16, 1986]*

## Announcement of the Establishment of Emergency Board No. 209 To Investigate a Railroad Labor Dispute *May 16, 1986*

The President announced today that he has established, effective May 16, 1986, Presidential Emergency Board No. 209 to investigate and make recommendations for settlement of current disputes between the Brotherhood of Maintenance of Way Employees (BMWE) and the Maine Central Railroad/Portland Terminal Company.

The Maine Central Railroad/Portland Terminal are owned by Guilford Transportation Industries, which also owns the Boston & Maine and Delaware & Hudson railroads. Most of the traffic handled by the Guilford railroads, which are concentrated within the northeast section of the United States, originates on other rail carriers and is transferred to the Guilford lines at key interchange points. The Guilford roads interline traffic with several other major railroads, including Conrail, CSX, and Norfolk Southern.

A strike called by the BMWE against the Maine Central/Portland Terminal subsequently spread to the other Guilford railroads. A further escalation of the dispute occurred in April when the BMWE initiated a class action suit against the Association of American Railroads contending that certain railroads had provided Guilford assistance under a mutual aid arrangement. Picketing was initiated by the BMWE on April 10, 1986, against selected railroads outside the Guilford system.

However, as a result of considerable litigation following this escalation in the job action, several Federal courts issued orders

restraining the BMWE and other unions from picketing. Important issues under the Federal labor laws have been presented in these cases, the speedy and final resolution of which is of great importance to labor-management relations in this industry and to the efficient movement of rail traffic in interstate commerce. The recent conflicting decisions of the Federal courts, permitting in some cases picketing of carriers not involved in the basic dispute, however, made Presidential emergency action necessary in the interim.

Three Federal court jurisdictions have permitted picketing by the BMWE of railroads outside the Guilford system. The Central Vermont Railway was denied a preliminary injunction by the United States District Court and the United States Court of Appeals for the District of Columbia. The Richmond, Fredericksburg, and Potomac Railroad was denied a preliminary injunction on appeal before the United States Court of Appeals for the Fourth Circuit; and most importantly, Conrail was denied injunctive relief on May 15, 1986, when the United States Court of Appeals for the Second Circuit dissolved an injunction granted on suit by Conrail.

Conrail operates 13,400 miles of lines in 15 Northeast States as well as the District of Columbia and Canada. In 1985 Conrail was involved in transporting 15 percent of all traffic loaded by the Nation's railroads. In the Northeast alone, Conrail accounts for over 30 percent of all freight loaded by rail.

It also provides connecting service with almost all major railroads operating in the South and West. More than half of Conrail's traffic is carried in connection with other railroads, as part of joint-line movements. Over 1 million carloads each year move onto Conrail lines from another railroad, and close to half a million carloads are forwarded by Conrail to another railroad. The effects of a strike against Conrail would therefore extend to most other large carriers throughout the country, even if they were not directly involved in the strike itself.

Picketing by BMW employees of the Conrail system, including such key points as Chicago, IL, St. Louis, MO, Cleveland, OH, Buffalo, NY, and Elkhart, IN, began on May 15, 1986. This action, if continued, could result in layoffs of 80,000 workers in key rail-served industries within the first 2 weeks and a total of 135,000 workers if the strike continued for a full month, in addition to the 35,000 nonmanagement employees of Conrail. Beyond the loss of revenues to the railroad, the strike would halt pro-

duction of approximately \$85 million worth of goods per day and could mean layoffs of 65,000 in motor vehicles manufacturing, 30,000 in steelmaking and other primary metals production, and 10,000 each in coal mining, chemicals production, and the pulp and paper industries. A strike against Conrail would also halt Amtrak passenger trains carrying 45,000 travelers each week, approximately  $\frac{1}{4}$  of total Amtrak intercity passengers.

Consequently, the President invoked the emergency board procedures of the Railway Labor Act, which in part provide that the board will report its findings and recommendations for settlement to the President within 30 days from the date of its creation. The parties must then consider the recommendations of the emergency board and endeavor to resolve their differences without engaging in self-help during a subsequent 30-day period. It is not anticipated that the creation of the emergency board will inhibit the prompt and final resolution of the important issues of Federal labor law pending in connection with this dispute.

## **Appointment of Irene Pollin as a Member of the National Cancer Advisory Board**

***May 16, 1986***

The President today announced his intention to appoint Irene Pollin to be a member of the National Cancer Advisory Board for a term expiring March 9, 1992. She would succeed J. Gale Katterhagen.

Since 1982 Mrs. Pollin has been engaged in private practice as a psychiatric social worker in Chevy Chase, MD, and currently serves as executive director of the Medical Crisis Counseling Center at the Washington Hospital Center. Previously, she was execu-

tive director of the Linda Pollin Institute, 1980-1982, and founder and chairman of the Advisory Council on the Linda Pollin Professorship at the University of Maryland, 1982-1986.

Mrs. Pollin graduated from American University (B.S., 1971) and Catholic University (M.S.W., 1974). She is married, has two children, and resides in Bethesda, MD. Mrs. Pollin was born on June 29, 1924, in St. Louis, MO.

## Statement on the Death of Theodore White

May 16, 1986

Theodore White was truly an American institution. More than just another reporter on the campaign trail, Teddy was a familiar part of the American political fabric, observing and explaining the very essence of our democracy. In books which have become works of historical importance, Teddy White taught us much of ourselves and our country. Somehow, a Presidential

campaign was not really over until Teddy's book was written.

He was a true professional, tough and insightful, but always fair. He respected and understood the Presidency and took us behind the scenes with a special wisdom and sensitivity. Nancy and I will miss Teddy White and extend our deepest sympathy to his family.

## Executive Order 12558—Establishing an Emergency Board To Investigate a Dispute Between the Long Island Rail Road and Certain Labor Organizations Representing Its Employees

May 16, 1986

A dispute exists between The Long Island Rail Road and certain of its employees represented by the labor organizations named on the list attached hereto and made a part hereof.

The dispute has not heretofore been adjusted under the provisions of the Railway Labor Act, as amended (the "Act").

A party empowered by the Act has requested that the President establish an emergency board pursuant to Section 9A of the Act (45 U.S.C. § 159a).

Section 9A(c) of the Act provides that the President, upon such a request, shall appoint an emergency board to investigate and report on the dispute.

Now, Therefore, by the authority vested in me by Section 9A of the Act, it is hereby ordered as follows:

**Section 1. Establishment of Board.** There is established, effective May 16, 1986, a board of three members to be appointed by the President to investigate this dispute. No member shall be pecuniarily or otherwise interested in any organization of railroad employees or any carrier. The board shall perform its functions subject to the avail-

ability of funds.

**Sec. 2. Report.** The board shall report its findings to the President with respect to the dispute within 30 days after the date of its creation.

**Sec. 3. Maintaining Conditions.** As provided by Section 9A(c) of the Act, from the date of the creation of the board and for 120 days thereafter, no change, except by agreement of the parties, shall be made by the carrier or the employees in the conditions out of which the dispute arose.

**Sec. 4. Expiration.** The board shall terminate upon the submission of the report provided for in Section 2 of this Order.

RONALD REAGAN

The White House,  
May 16, 1986.

[Filed with the Office of the Federal Register, 4:50 p.m., May 16, 1986]

Note: A list of the labor organizations representing employees involved in the dispute was printed in the "Federal Register" of May 20.

## **Announcement of the Establishment of Emergency Board No. 210 To Investigate a Railroad Labor Dispute**

*May 16, 1986*

The President announced today the creation of Presidential Emergency Board No. 210 to investigate and make recommendations for settlement of a current dispute between the Long Island Rail Road (LIRR) and certain labor organizations representing its employees.

The LIRR is a vital link in the mass transportation system of the New York City metropolitan area. Every weekday the railroad carries approximately 280,000 passengers. Over 60 percent of the people who work in Manhattan and more than 20 percent who work in Brooklyn use its service. In addition, the LIRR interchanges traffic with the Consolidated Rail Corp., providing freight service to Suffolk and Nassau Counties. The

LIRR employs approximately 7,200 persons, 6,800 of whom are covered by collective bargaining agreements.

The President, by Executive order, created the Emergency Board pursuant to an appropriate request as mandated by the Railway Labor Act. The emergency board procedures of the Railway Labor Act applicable to commuter railroads provide that the Board will report its findings and recommendations for settlement to the President within 30 days. The parties must then consider the recommendations of the Emergency Board and endeavor to resolve their differences without engaging in self-help during a subsequent 90-day period.

## **Radio Address to the Nation on Armed Forces Day**

*May 17, 1986*

*My fellow Americans:*

We're broadcasting live today from Fort Myer, a military installation just outside Washington. And before me at this moment, looking tall and impressive, are members of the honor guard of the five branches of the military service: the Army, Navy, Air Force, Marines, and Coast Guard. These proud units appear at special ceremonies and are always on hand to help me greet foreign heads of state at the White House. And believe me, the leaders of other nations have often commented on the snap, the polish, and the soldierly bearing of these troops. In fact, I sometimes think a few of our visitors are a little envious of "The Gipper," as our uniformed sons and daughters pass by in review. Well, okay, in my case, our uniformed grandsons and granddaughters. [*Laughter*]

But today we're all on hand at Fort Myer to celebrate a very special date in America's official calendar: Armed Forces Day. Today we set aside a few moments to pay tribute

to the millions of Americans serving their nation in the cause of freedom all over the globe. Many of them are listening to me now, and as Commander in Chief I want to remind each of you in uniform how grateful your country is to you. Let me assure you that the millions of Americans going about their usual Saturday schedule and listening now join me in saying to you, "Thanks—thanks for being there, for keeping our homes and children safe, for keeping America free and at peace."

Now, I know you here with me and most members of the armed services listening at the moment aren't in your dress uniforms, and maybe—and I'm sure it only happens every now and then—your shoeshines aren't quite as bright as the ones I'm looking at here. But I know the sense of military professionalism, love of country, and commitment to freedom is just as strong. It's because of that patriotism and professionalism that you've left your homes and communities to become part of an extraor-

dinary military tradition. Unlike so many other traditions, America's military history has been largely one not just of great battlefield victories but victories in the name of something beyond conquest or self-interest.

Here in America we've been fortunate to be the keeper and custodian of a dream—a dream that began this nation, a dream that millions of people hope to share in someday. And every member of America's Armed Forces has a special part in keeping that dream alive. The dream, of course, is freedom, and truly those of you in uniform today are freedom's honor guard.

The new patriotism that's alive in our nation today is reflected in these young people joining our military services. They're better educated, better trained, and as highly motivated as any time in our history. These young Americans look to a future they know will be free as long as America remains strong and her people resolute. But this revitalization of our military was a long time coming, the result of a lengthy legislative battle here in Washington.

Time after time in the postwar era, the American people have made it clear that those who trifle with our national security and oppose adequate military budgets will be held responsible on election day. And it's this kind of support from the American people that got a consistently reluctant Congress to vote the appropriations necessary to rebuild America's defenses. But old habits die hard, and much of what we've achieved is now in jeopardy. As one Congressman described the inconsistency, "We

are marching down the mountain we have been marching up."

You see, the House of Representatives recently passed a military budget that is wholly inadequate, a throwback to the seventies, a budget that is a breach of faith with our Armed Forces and our allies and would send exactly the wrong signal to the Soviets and their satellites. So, today I not only want to ask every American to join me in saluting our young Americans in uniform, I want to reiterate that the best way to ensure their lives are never placed in jeopardy is to send a message to Washington and to the world, a message that says the American people are committed to national defense and that we stand behind those who wear our country's uniform.

We owe a great debt to those on freedom's first line of defense—men like Captain Lorence and Captain Ribas-Dominicci, Air Force pilots who recently lost their lives in the raid on Libyan terrorists. We honor them today and all the members of freedom's honor guard. And we say thank you to you, our Armed Forces, and pledge our support for adequate military expenditures, a strong defense, and the dream of world freedom and peace.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from the dining facility at Fort Myer in Arlington, VA. Following his address, the President had lunch with members of the honor guards and then returned to the White House.*

## Proclamation 5481—National Digestive Diseases Awareness Week, 1986

*May 17, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Digestive diseases rank third in the total economic burden of illness in the United States. More important, in terms of human

discomfort, pain, and mortality, they constitute one of our most serious national health problems.

Digestive diseases are a major cause of hospitalization and surgery in this country. Each day some 200,000 people miss work because of them. Twenty million Americans

are treated for some type of chronic digestive disorder each year, and almost half of our population suffers an occasional digestive disorder, creating a yearly expenditure of approximately \$17 billion in direct health care costs, and a total estimated economic burden of \$50 billion.

Research into the causes, cures, prevention, and clinical treatment of digestive diseases and related nutrition problems continues with the support of public and private institutions at all levels. This year marks the third anniversary of the initiation of a national digestive diseases education program. Its goals are to involve all those concerned with the problem—including the Digestive Diseases National Coalition, the National Digestive Diseases Advisory Board, the National Digestive Diseases Education and Information Clearinghouse, and the National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases—in educating the public as well as medical practitioners, dietitians, and nutrition experts on the seriousness of these diseases and the most advanced methods available to prevent, treat, and control them.

In recognition of the importance of ef-

forts to combat digestive diseases, the Congress, by Senate Joint Resolution 324, has designated the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week" and authorized and requested the President to issue a proclamation in observance of this week.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning May 18, 1986, as National Digestive Diseases Awareness Week. I urge the people of the United States and educational, philanthropic, scientific, medical, and health care organizations and professionals to participate in appropriate activities to encourage further research into the causes and cures of all types of digestive disorders.*

*In Witness Whereof, I have hereunto set my hand this seventeenth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:27 a.m., May 19, 1986]*

## **Statement by Principal Deputy Press Secretary Speakes on South African Military Raids**

*May 19, 1986*

On the occasion of South African military strikes into Zambia, Zimbabwe, and Botswana, the United States stands with the governments and peoples of those countries in expressing our sense of outrage at these events and our condolences to the families of the victims. We vigorously condemn these attacks by South Africa. Our diplomacy in South Africa has been aimed at stopping cross-border violence. Such efforts have had results. We would note that senior officials of South Africa and its neighbors have held regular and productive consultations on issues of security and respect for international borders.

We believe these military actions to be particularly inexplicable in the light of on-

going efforts among those neighbors to maintain good working relations and communication on security problems. The ongoing process had clearly not exhausted all possibilities for peaceful remedy of the issues. We find the South African raids are all the more difficult to fathom, given current efforts of the Commonwealth's Eminent Persons Group, which is currently in the region, engaged in highly sensitive discussions to promote dialog between blacks and whites in South Africa.

The United States has made clear for many years its strong opposition to, and condemnation of, violent means by any party as a method for resolving South Afri-

ca's problems. And we stand by the principle that political avenues should be given every opportunity.

*Note: Larry M. Speakes read the statement to reporters at 9:28 a.m. in the Briefing Room at the White House.*

## Remarks at a White House Ceremony for World Trade Week and the "E" and "E Star" Awards

May 19, 1986

Secretary Baldrige, Ambassador Yeutter, good morning to all of you, and welcome to the White House. It's an honor to have you join us to help celebrate World Trade Week. Together, we can underscore the significance of international trade to our nation and the world. And by the way, I can't help but recall that in my former career I had something to do with exporting for overseas markets myself. In those days American motion pictures occupied more than 75 percent of the playing time of all the screens of the world. Unfortunately, the movies that we sent overseas sometimes—well, they weren't always successful. I had one called "Cattle Queen of Montana." [Laughter] It lost something in Japanese. [Laughter]

But it's important for us Americans to reflect upon the extent to which our nation is involved in international trade. One in six of our manufacturing jobs and one in four of our farm acres produce merchandise for overseas markets. Roughly speaking, every billion dollars worth of American manufactured goods exported means more than 25,000 American jobs. And overall, today nearly 5.5 million American jobs are connected to exports.

And yet despite its importance, international trade faces serious challenges. Large and sometimes massive trade imbalances among the major trading nations have given rise to strong protectionist feeling both here at home and abroad. Yet ever since the disaster of the 1930 Smoot-Hawley tariffs, we've known that protectionism doesn't work. No, the way to promote worldwide prosperity is not to erect barriers, but to bring them down; not to decrease international trade, but to expand it. And we're working to do just that. Our ap-

proach has been threefold.

First, we're doing all we can to provide an economic environment that's conducive to exports around the globe: international economic stability, innovation, and growth. And in this regard, we're having historic success. Here at home our own economy has grown for 41 months, creating more than 9¼ million American jobs. Inflation in our nation is running at the lowest level in two decades, and the prime rate of interest has dropped by 60 percent since we took office.

Abroad, we've been working to achieve closer economic policy coordination between nations, foster improved global growth, and promote greater exchange rate stability. Indeed, closer economic coordination between us and our trading partners was agreed upon at the Tokyo summit. We're pleased to see that other nations—in part spurred by our own growth, in part following our example of low taxes and limited government—have a good outlook for more economic growth of their own. The Plaza agreement that was reached last September has contributed to substantial exchange rate changes, improving our own competitive position. And the debt problem in lesser developed countries is being addressed, providing expanded markets for American trade. All this adds up to a sound basis for a wider and freer world trade.

Second, we're working to remove foreign trade barriers that may be blocking the sale of otherwise competitive American products. As I said in my trade address on September 23d of last year: "All must work to guarantee open markets—free trade is, by definition, fair trade." Since September we've initiated investigations into unfair



trade practices by other countries, making ours the first administration to initiate such investigations on its own. Today we've cases underway concerning Korean barriers to foreign insurance companies, Brazilian restrictions on computer imports, Korean violations of intellectual property rights, and Japanese restrictions on imported tobacco products, as we've started our first investigation into Taiwan's foreign export performance requirements.

In that same September speech I just referred to, I announced the formation of a strike force to identify unfair foreign trade practices and recommend strategies for combating them. The strike force has been hard at work. We've initiated an antidumping case against Japan for its practices involving exports of semiconductors. We've begun consultations with European governments on airbus sales. And we've proposed legislation to strengthen and expand the protection of intellectual property rights and adopted a formal policy in the enforcement of such rights.

Third, we're working to negotiate new trade agreements that will expand world trade for the benefit of all nations. At the recent Tokyo summit, we and our allies once again affirmed our support for a new round of multilateral trade negotiations, targeting the September GATT [General Agreement on Tariffs and Trade] ministerial meeting for decisive progress. At the summit we also agreed that this new round of talks should have a comprehensive agenda, including new topics of particular interest to the United States, such as services, intellectual property, and investment. And still pursuing the goal of expanding trade, we've also begun to explore the advantages of negotiating a comprehensive free trade agreement with Canada, our largest trading partner.

In trade relations with Japan, progress is, again, being made. When Prime Minister Nakasone and I met in April and again at the Tokyo summit, we agreed on the need to expand our trade through better market access. Indeed, I'm gratified at Japanese efforts to restructure their economy to expand domestic demand. Based on previous work, the Japanese are now committed to lowering Japan's barriers to imports of

telecommunications equipment, medical equipment, forest products, pharmaceuticals, and electronics. Like many of our trading partners, the Japanese are tough negotiators. I think many of you here know that firsthand. But we're determined to do all we can to lower trade barriers in Japan and throughout the world.

These actions are all constructive steps aimed at expanding trade. And that's why I'm dismayed at protectionist legislation that is under consideration in the House of Representatives. It isn't a fair trade bill; it's a "less trade" bill. It will not open markets to U.S. products; it will close them. It will mandate that the United States violate many of the most basic rules of international trade. And it would expose our most productive farms and industries to retaliation by other nations.

The creation of a strike force, the enforcement of our trade laws, vigorous trade talks with Japan and other nations—it is only right that we in government should make those efforts. But in truth, our nation would be nowhere without you—you who've shown such initiative in opening new international markets. You're proof that American business has never been afraid to compete, that our business community is as innovative, efficient, and competitive as any on Earth. My friends, for setting such high standards, I thank you.

And now it's my privilege to sign the proclamation and then to ask Secretary Baldrige and Ambassador Yeutter to help me present the "E" and "E Star" awards for excellence in exporting. So, I'll take pen in hand.

*Note: The President spoke at 11:46 a.m. in the Rose Garden at the White House. In his opening remarks, he referred to Secretary of Commerce Malcolm Baldrige and United States Trade Representative Clayton Yeutter. Recipients of the "E" Award were the Automotive Parts and Accessories Association, Lanham, MD; Ferguson Industries, Dallas, TX; Kustom Electronics, Lenaxa, KS; Macbeth Division, Kollmorgen Corp., Newburgh, NY; Mayer Wildman Industries, Inc., Orangeburg, SC; Greater Los Angeles Convention Bureau, Los Angeles, CA; Paper*

*Machinery Corp., Milwaukee, WI; Timberland Co., Portsmouth, NH; and Xport, the Port Authority Trading Company of the Port of New York and New Jersey. Recipients of the "E Star" Award were the Coloni-*

*al Beef Co., Philadelphia, PA; Dale Electronics, Inc., Columbus, NE; First Interstate Bank, Denver, CO; Panelfold, Inc., Miami, FL; and Sunnen Products Co., St. Louis, MO.*

## Proclamation 5482—World Trade Week, 1986

May 19, 1986

*By the President of the United States of America*

### *A Proclamation*

Each year, World Trade Week provides an opportunity to celebrate the importance of international trade to our present prosperity and our future prospects. Indeed, it benefits us and all the nations with whom we do business.

American business initiative and ingenuity have never stopped at our borders. Since the birth of our Nation, we have been a dynamic force in international trade. That trade has helped us build the most productive economy in the history of mankind.

Today, America's prosperity depends as never before on our ability to compete in international markets. Our exports make a major contribution to domestic growth and employment. The United States is today the world's leading exporter. We export nearly 16 percent more goods to the world than our nearest competitor, yet we export far less of our total production than many other trading nations. We need to increase our exports to further strengthen our economy.

American companies need the same free and fair access to foreign markets that the United States offers to its trading partners. My Administration has stepped up its efforts to counter unfair trade practices and to open foreign markets that have raised barriers to American products. We will continue to do so.

Today, we are preparing for a new round of multilateral trade negotiations. Through those negotiations we will continue to press for open markets for the products of our manufacturing firms. We will also press for greater market access for the products of America's farms and the products of our

fast-growing service industries.

In multilateral negotiations, and at home, we will continue to resist proposals for protectionist measures for the simple reason, proved by history and bitter experience, that they just do not work.

Export expansion also requires a sound, stable dollar and reliable exchange rates around the world. We have already achieved a great deal through our efforts to coordinate economic and monetary policies with our major trading partners. Upward revaluations of foreign currencies against the dollar are making American products more competitive around the world. We are continuing our policy discussions with America's major trading partners to enhance America's trading opportunities.

Government can only set the stage for increased trading. It is the job of American private enterprise to make trade grow. Over the past year, government actions have vastly improved the climate for trade. Aggressive exporters in our business community are calling today's trading climate an opportunity for a "renaissance in American competitiveness." Translating that golden opportunity into a reality depends upon all of America's businesses.

Given fair competitive conditions, American industry and labor can and will meet this challenge with renewed determination—reaching out to fulfill our potential as a great exporting nation.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim the week beginning May 18, 1986, as World Trade Week. I invite the people of the United States to*

join in appropriate observances to reaffirm the enormous potential of international trade for creating jobs and stimulating economic activity here while it helps to generate prosperity for all.

*In Witness Whereof*, I have hereunto set my hand this nineteenth day of May, in the year of our Lord nineteen hundred and

eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:12 p.m., May 19, 1986]*

## Statement on Signing the United States Coast Guard and Maritime Administration Bill

*May 19, 1986*

I have signed into law H.R. 739, which effects miscellaneous changes in the laws administered by or affecting the United States Coast Guard and Maritime Administration. In approving H.R. 739, I have been assured by the Department of State that

section 10 of the act is consistent with existing treaty obligations and consistent with existing United States cabotage statutes.

*Note: H.R. 739, approved May 19, was assigned Public Law No. 99-307.*

## Nomination of George S. Dunlop To Be an Assistant Secretary of Agriculture

*May 19, 1986*

The President today announced his intention to nominate George S. Dunlop to be an Assistant Secretary of Agriculture (Natural Resources and Environment). He would succeed Peter C. Myers.

Since 1979 Mr. Dunlop has been with the U.S. Senate Committee on Agriculture, Nutrition, and Forestry as minority staff director, 1979-1981, and is currently chief of staff, a position he has held since 1981. In 1984 he was a member of the U.S. delega-

tion to the General Agreements on Tariffs and Trade in Geneva, and previously he was on the staff of Senator Jesse Helms as a special assistant, 1975-1979, and as a coordinator in his North Carolina office, 1973-1975.

Mr. Dunlop graduated from Catawba College (B.A., 1970) and Lehigh University (M.A., 1972). He is married and resides in Arlington, VA. He was born July 31, 1946, in Charlotte, NC.

## **Nomination of J. Michael Dorsey To Be an Assistant Secretary of Housing and Urban Development**

*May 19, 1986*

The President today announced his intention to nominate J. Michael Dorsey to be an Assistant Secretary of Housing and Urban Development (Public and Indian Housing). He would succeed Warren T. Lindquist.

Mr. Dorsey is presently a partner with the law firm of Stinson, Mag & Fizell in Kansas City, MO. Previously, he was an assistant attorney general for former Missouri Attorney General John C. Danforth, 1973–

1974; and with the Legal Aid and Defender Society of Greater Kansas City, Inc., as an assistant director, managing attorney, and staff attorney, 1969–1973.

Mr. Dorsey graduated from Stanford University (B.A., 1965) and the University of Missouri-Kansas City (J.D., 1968; LL.M., 1973). He is married, has two children, and resides in Kansas City, MO. He was born February 6, 1943, in Kansas City, MO.

## **Appointment of Louis W. Sullivan as a Member of the National Cancer Advisory Board**

*May 19, 1986*

The President today announced the appointment of Louis W. Sullivan to be a member of the National Cancer Advisory Board for a term expiring March 9, 1992. He would succeed Robert C. Hickey.

Since 1981 Dr. Sullivan has been president and dean of Morehouse School of Medicine in Atlanta, GA; and prior to that at Morehouse School, he was dean and director and also professor of biology and medicine, 1975–1981. Previously, he was professor of medicine and physiology in the

School of Medicine and professor of Nutrition in the School of Dentistry at Boston University, as well as a visiting physician at Boston City and University Hospitals, 1974–1975; director of hematology at Boston City Hospital and project director with the Boston Sickle Cell Center, 1973–1975.

He graduated from Morehouse College (B.S., 1954) and Boston University (M.D., 1958). He is married, has three children, and resides in Atlanta, GA. Dr. Sullivan was born November 3, 1933, in Atlanta, GA.

## **Appointment of Two Delegates to the National White House Conference on Small Business**

*May 19, 1986*

The President today announced his intention to appoint the following individuals to be delegates to the National White House Conference on Small Business. These are new positions.

*John Reeves Raese*, of West Virginia. Mr. Raese is vice president of Greer Steel Corp. in Morgantown, WV. He graduated from West Virginia

University (B.S., 1973). Mr. Raese is married, resides in Morgantown, WV, and was born April 10, 1950, in Baltimore, MD.

*Lynne Warrick*, of Virginia. Mrs. Warrick is president of National Color, Inc., and VIP Video in Fairfax City, VA. She graduated from Monmouth College (B.A., 1967). Mrs. Warrick has one child, resides in McLean, VA, and was born April 24, 1923, in Irvington, NJ.

## **Appointment of Alfred E. Stendahl as a Member of the Cultural Property Advisory Committee** *May 19, 1986*

The President today announced his intention to appoint Alfred E. Stendahl to be a member of the Cultural Property Advisory Committee for a term of 2 years. This is a reappointment.

Since 1984 Mr. Stendahl has been serving on the Cultural Property Advisory Committee. He is director of the Stendahl Art Galleries in Los Angeles, where he has staged solely or contributed to the staging of more than 100 exhibitions in the United States

and Europe. He has also written several publications on primitive and ancient arts and has been instrumental in forming collections for many museums in the United States.

Mr. Stendahl graduated from the University of California at Berkeley (B.S., 1939). He is married, resides in North Hollywood, CA, and was born December 4, 1915, in Los Angeles, CA.

## **Appointment of Two Members of the President's Council on Physical Fitness and Sports** *May 19, 1986*

The President today announced his intention to appoint the following individuals to be members of the President's Council on Physical Fitness and Sports:

*Frederic V. Malek*, of Virginia. He would succeed William E. LaMothe. Mr. Malek is executive vice president of the Marriott Corp. in Washington, DC. Mr. Malek graduated from the U.S. Military Academy at West Point (B.S.) and Harvard University (M.B.A., 1964). He is married, has two children, and resides in McLean, VA.

Mr. Malek was born December 22, 1936, in Berwyn, IL.

*Harry N. Walters*, of Virginia. This is a new position. Mr. Walters has been Administrator of Veterans Affairs since 1982. Previously he was Assistant Secretary of the Army for Manpower and Reserve Affairs, 1981-1982. He graduated from the U.S. Military Academy (B.S., 1959). Mr. Walters is married, has two children, and resides in McLean, VA. He was born July 4, 1936, in Fostoria, OH.

## **Remarks on Signing the Just Say No To Drugs Week Proclamation** *May 20, 1986*

*The President.* I appreciate all of you joining us here today to kick off "Just Say No Week." And before I begin, I want to give a long-distance hello to Senator Paula Hawkins. Senator Hawkins has been a loyal warrior in the battle against drug abuse. So, long distance, Senator, thank you for all you've done, and best wishes for a speedy recovery.

When our team got to Washington nearly 5½ years ago, we pledged to put America's

house in order. Well, that required more than economic reform and bolstering our national defense. Our country was threatened by an epidemic of drug abuse that's been growing in intensity since the 1960's. By 1980 illegal drugs were every bit as much a threat to the United States as enemy planes and missiles. The plague was fueled by an attitude of permissiveness, both public and private. America was losing its future by default.

Early in our administration I issued a challenge: Americans in and out of government, I said, should do all we can to defeat the drug menace threatening our country. And I'm pleased that many of you who were there when I issued that challenge are with us today. I'm also grateful for all the hard work and long hours that you've committed to this truly noble endeavor.

The first thing we did was take down the surrender flag and raise the battle flag. Together we beefed up our enforcement arm, and today more arrests are being made and more narcotics are being seized than ever before. Today there's also more communication and effective coordination between the levels of government and departments and agencies than many believed was possible. We are, indeed, trying to do everything government can do to combat drug traffickers.

But just as important—I happen to think more important—we've enlisted the American people in this battle. Parents, service clubs, youth organizations, responded to our call. We found prominent citizens, captains of industry, singers, actors, and athletes—individuals who young people look up to—were more than willing to do their part. Why? Well, because they love people, and they love this country. What we've got to do now is make certain that we continue to give our young people—like the ones with us here today—the support and backing they need to “Just Say No” to drugs.

There's someone else here who shares these sentiments. She was a favorite of mine even before she got involved in this issue. [Laughter] However, I will have to confess that she's made me such a proud husband in these last few years. Nancy was, and still is, the motivational force behind the “Just Say No” movement. It all started in an elementary school in Oakland, California, during the summer of 1984. She was talking to a class about drug abuse, and out of her discussion with the youngsters came the idea of “Just Say No” clubs. And from that very day the idea snowballed. Clubs came into being first in California, then they started up in towns and cities all across the country and overseas. On Thursday of this week, Nancy will participate in the “International Just Say No Walk” with hun-

dreds of thousands of young people around the globe.

Because of these grassroots efforts, all of us, inside government and out, are seeing a change of attitude about drug abuse. Public awareness has increased dramatically in the past several years, and our children are more aware of the dangers of drugs now than ever before. By educating our children about the dangers of drugs, we're going to dry up the drug market and kick the dope peddlers right out of this country. Every time Nancy and I meet this country's wonderful young people, we feel more confident that we are going to win this battle.

To our country's young people, I say: We're so proud of each of you who has rejected drugs and also those of you who have overcome drug problems. Your courage and commitment have not gone unnoticed. You have a special place in our hearts.

And now, before I sign the proclamation, I'd like to introduce the champ who's been leading this battle—Nancy.

*The First Lady.* At the beginning of this year, someone asked me if I wanted to make a New Year's wish, and I said yes—and it was that I'd like to see every young person in the world join the “Just Say No” to drugs club. Well, just the fact that Congress has proclaimed “Just Say No Week,” and in light of all the activities taking place, it seems that my wish is well on its way to coming true. I'm so proud of all the young people, the parents, the citizens in cities and towns across the Nation, the Government, and everyone else who's helping to create what I believe is the final solution to this problem—and that's a way to teach every one of our children to “Just Say No” to drugs. The future of the world lies in their hands, and we must all come together in their name to end drug and alcohol abuse once and for all.

Again, thank you so much for what you're doing and for joining us here today. Thank you.

*The President.* And now I'll sign the proclamation. There—“Just Say No.”

*Note: The President spoke at 10:28 a.m. in the Roosevelt Room at the White House.*

## Proclamation 5483—Just Say No To Drugs Week, 1986 May 20, 1986

*By the President of the United States  
of America*

### *A Proclamation*

People all across America are becoming increasingly aware of the terrible dangers of drug abuse. Permissive attitudes about drug use have been replaced by deepening concern and—what is more important—action. People of all ages and from all walks of life are rallying against this terrible scourge. Many young people are taking a leading role in the effort to help other young people from “getting hooked,” and in assisting addicts to break the chains of their addiction.

Although young people are exposed to far too many opportunities to experiment with drugs, an ever-increasing number are saying no to drugs and to alcohol. They are joining together to learn how, and to make it stick. They are forming “JUST SAY NO” clubs to help them resist temptation and to encourage their peers to stay drug-free. On May 22, many thousands of children and teenagers will Walk Against Drugs to encourage others to join them in saying “No” to drugs.

These young people of America are demonstrating that healthy and productive lives are possible when you “Just Say No.” Many other children of the world share this commitment to put a stop to drug abuse; in Great Britain, Canada, Ireland, Costa Rica, and Sweden, children are actively pursuing this same idea—JUST SAY NO!

We, as adults, owe a debt of gratitude to our children for setting such a fine example;

for leading the way to a better future for future generations. I congratulate our young people for their courage and zeal in this crusade. I challenge the adults of the world to encourage and support them, and to follow their lead in saying “No” to drugs. I am confident that, working together, we will conquer drug abuse.

To recognize those American young people who are publicly fighting drug abuse by saying “No” to drugs and thereby contributing to the end of this plague in America, the Congress, by Senate Joint Resolution 337, has designated the week beginning May 18, 1986, as “Just Say No To Drugs Week” and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of May 18 through May 24, 1986, as “Just Say No To Drugs Week.” I ask each person to make a personal commitment to saying “No” to drug and alcohol abuse; and I call on all Americans to join me in observing this week with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this 20th day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:08 p.m., May 20, 1986]

## Remarks Prior to a Meeting With the Senate Finance Committee on the Tax Reform Bill May 20, 1986

*The President.* Thank you all for coming down today. More importantly, thank you

for all your fine work in getting a tax reform bill reported in your committee by a

unanimous vote. That's got to be almost a first, at least for a long time. You've truly been doing America's business, and you've been doing it brilliantly. And as far as I'm concerned, you're now the "A-Team." [Laughter]

This bipartisan spirit, I think, will be a tremendous boost in creating a binding commitment to the only special interest that counts—and that's the American people, the ones who pay the bills in this country. And in particular, I want to thank you for eliminating needless brackets and lowering the rates to 15 and 27 percent, raising the personal and dependents exemption to \$2,000 for middle- and low-income Americans, and providing a minimum tax so that individuals and corporations will pay their fair share.

Beryl and his group at the Council of Economic Advisers tell me that the added incentives and efficiencies could increase America's growth rate nearly 10 percent over the next decade. And that means people will be able to keep more of what they earn and thereby encouraging the entrepreneurial spirit, building a stronger and more productive economy. And that kind of growth would also, it is estimated, provide an additional 4 million new jobs over that same period.

You and your chairman, Bob Packwood, who couldn't be with us today, are to be commended for a yeoman effort to breathe new life into something that had been declared dead on more than one occasion since the effort had begun. And now we need to make sure the lifeline stays intact as this historic measure is considered by the full Senate when you get back from Memorial Day weekend. Not only will the Ameri-

can people benefit by your straightforward, hard-hitting proposal to return simplicity and fairness to the tax code, but the bipartisan coalition you've forged is a major victory for the democratic process that makes this nation great. And I think the American people join me in thanking you for your statesmanship in this.

And now, is Jim Baker here?

*Secretary of the Treasury Baker.* I can't get to my seat, Mr. President. [Laughter]

*The President.* Well, take off from there. That's a pretty good podium.

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*Reporter.* Mr. President, what do you think about using the surplus for the deficit? First year—

*The President.* Well, Helen [Helen Thomas, United Press International], I'm—

*Q.* Have you made up your mind on it?

*The President.* I'm going to wait until we have the discussion here that will follow. Unfortunately, you all will have business elsewhere. [Laughter]

*Q.* You've been avoiding answers all day today.

*Q.* Do you want to answer the Saudi Stinger question now, Mr. President?

*The President.* No. No, I don't.

*Q.* Are you going to take the sting out of the Saudi package?

*The President.* This is the news subject now here. Thank you.

*Q.* Can't help trying.

*Note: The President spoke at 11:40 a.m. in the Cabinet Room at the White House. In his remarks, he referred to Beryl W. Sprinkel, Chairman of the Council of Economic Advisers.*

## Statement on the Machine Tool Industry

May 20, 1986

I have decided to seek voluntary restraint agreements (VRA's) on machine tool imports. In March 1983 the National Machine Tool Builders Association submitted a petition to the Secretary of Commerce recom-

mending import quotas based on the view that imports of machine tools threaten the national security. Pursuant to statute, Secretary Baldrige submitted a report to me in February 1984. In March 1984 I decided



that this report should incorporate new mobilization, defense, and economic planning factors then being developed by an inter-agency group. I then directed the Secretary of Commerce to update the machine tools investigation. In March 1986 Secretary Baldrige submitted his report to reflect this guidance. The National Security Council subsequently discussed the report, and on this basis, I have directed that import levels be reviewed during the next 6 months.

The Secretary of Commerce, in consultation with the Secretary of Defense and other relevant administration officials, indicated that the machine tool industry is a small yet vital component of the U.S. defense base. The Secretary of Commerce further indicated that high levels of imports can potentially erode U.S. capabilities to manufacture critical machine tool product lines. Based on this information, I have decided on the following course of action:

—Voluntary restraint agreements will be sought with Taiwan, West Germany, Japan, and Switzerland on machining centers, computer-controlled and noncomputer-controlled lathes, computer-controlled and non-computer-controlled punching and shearing machines, and milling machines.

—The Departments of Defense and Commerce, in cooperation with the other agencies, will implement an action plan that will:

- Integrate more fully U.S. machine tool manufacturers into the defense procurement process. In particular, companies will receive more timely information on U.S. defense programs and future DOD manufacturing requirements so that they may be able to participate at an earlier stage in the procurement process.

- Modernize machine tool capabilities that support our national defense. DOD programs that improve manufacturing productivity as well as those that advance technology will be applied to the machine tool industry.

- Provide up to \$5 million per year over the next 3 years in Federal Government matching funds to support a private sector technology center to help the machine tool industry make advances in manufacturing and design.

- The Attorney General and other agencies will investigate the potential for cooperative research and development efforts on the part of industry.

- The Secretary of Commerce will monitor the U.S. machine tool industry's performance on an annual basis, with emphasis on the steps it has taken to improve its production capabilities and competitive position.

This action plan, combined with the administration's growth-oriented economic policies and dedicated efforts on the part of the U.S. machine tool industry, will ensure a world-class U.S. industry.

## **Proclamation 5484—Andrei Sakharov Day**

*May 20, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

May 21, 1986, is the 65th birthday of Andrei Sakharov. At this time, let us recall and acclaim the courage and dedication of this giant of the twentieth century. Let us rededicate ourselves to the values of peace and justice and human dignity he has come to symbolize for all who love freedom

throughout the world.

Since we last honored this brave man, we are pleased that Dr. Sakharov's wife, Yelena Bonner, has been allowed to travel here to see her family and to obtain needed medical care. We welcome the fact that several separated husbands and wives were at last given permission to join their spouses in the United States. We welcome the release of Anatoly Shcharansky.

Unfortunately, these positive develop-

ments only serve to underscore the overall grim human rights situation that continues to prevail in the Soviet Union. For his efforts on behalf of human rights and world peace, Dr. Sakharov himself remains isolated in Gorky, deprived of contact with friends and family, and barred from carrying out scientific research. The Soviet authorities have succeeded in eliminating the main vehicle for human rights activism, the Helsinki Monitors. Yury Orlov and many other monitors are now serving long terms of imprisonment or exile. Religious groups continue to be major targets of persecution: Orthodox believers, Baptists, Roman Catholics, Ukrainian rite Catholics, Uniates, Pentecostals, and other groups have been subjected to arrest and harassment. The crackdown on Hebrew teachers and cultural activists continues. Emigration remains at low levels. Many more families remain separated. The basic freedoms of speech, assembly, and press are systematically denied, yet, as Sakharov has recognized, these are the essential means by which people can ensure that their own governments act peacefully and in the people's interests.

In October 1977, in an appeal to the Parliaments of all Helsinki-signatory states, Dr. Sakharov wrote:

"We are living through a period of history in which decisive support of the principles of freedom of conscience, an open society and the rights of man is an absolute necessity. The alternative is surrender to totalitarianism, the loss of all precious freedom and political, economic and moral deg-

radation. The West, its political and moral leaders, its free and decent peoples, must not allow this."

I believe we can best honor Dr. Sakharov on his 65th birthday by taking his message to heart and by continuing our own vigorous efforts in pursuit of a just peace, including respect for human rights. We must act on his behalf to ensure that his message of hope, freedom, justice, and the inviolability of the human conscience will not be silenced.

The Congress, by Senate Joint Resolution 323, has designated May 21, 1986, as "Andrei Sakharov Day" and authorized and requested the President to issue a proclamation in observance of this event.

Now, *Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim May 21, 1986, as Andrei Sakharov Day. I call upon the people of the United States and Federal, State, and local government officials to observe this day with appropriate programs, ceremonies, and activities designed to honor this hero of humanity.

*In Witness Whereof*, I have hereunto set my hand this 20th day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:27 a.m., May 21, 1986]

## Proclamation 5485—National Maritime Day, 1986 May 20, 1986

*By the President of the United States  
of America*

### *A Proclamation*

From the very beginning, America has been a seafaring Nation. In fact, the discovery of our continent was the result of one of the most daring seafaring adventures in human history. Even before the founding of the Republic, our people looked to the

sea—for peaceful trade and to ensure prosperity.

The sea-lanes were the pathways to new beginnings in a new world for millions who came to our shores and helped to build a country already rich in trading and seafaring traditions.

American maritime leadership was also reflected in ship design. The fabled

"Yankee Clippers" of the early 19th century represented the first major innovation in wind-powered craft since the 15th century. They dashed across the seas at unprecedented speeds, making them the ultimate in merchant sail. And when steam-powered vessels began to eclipse sailing ships in the latter part of the 19th century, it was largely the result of pioneering work by two Americans, John Fitch and Robert Fulton.

Since America fronted on the world's two largest oceans, it was fitting that an American naval officer, Alfred Thayer Mahan, should have been the author of the first major historical study of the influence of sea power in geopolitics. Theodore Roosevelt, who as a young man was the first to review Mahan's book, later, as President, took the lead in providing the United States with its first world-class navy. From this rich heritage, America emerged as the greatest trading Nation on earth.

All of us today owe a debt of gratitude to the civilian merchant mariners who have braved the perils of the sea and the assaults of enemies who threatened our way of life. Through the centuries, untold numbers sacrificed their lives to preserve American freedom. In World War II alone, nearly 6,000 U.S. merchant seamen aboard 733 American ships were lost in enemy attacks. But our sea-lane lifelines remained open.

It is appropriate that we pause to pay tribute to those civilian sailors, past and

present, in our commercial fleet and to all other Americans who support them and guard the lifelines of the sea that sustain us all.

In recognition of the importance of the American merchant marine, the Congress, by joint resolution approved May 20, 1933, designated May 22 of each year as "National Maritime Day" and authorized and requested the President to issue annually a proclamation calling for its appropriate observance. This date was chosen to commemorate the day in 1819 when the SS SAVANNAH departed Savannah, Georgia, on the first transatlantic steamship voyage.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 22, 1986, as National Maritime Day, and I urge the people of the United States to observe this day by displaying the flag of the United States at their homes and other suitable places, and I request that all ships sailing under the American flag dress ship on that day.*

*In Witness Whereof, I have hereunto set my hand this twentieth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:28 a.m., May 21, 1986]*

## **Executive Order 12559—Exclusions From the Federal Labor-Management Relations Program** *May 20, 1986*

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 7103(b) of Title 5 of the United States Code, and in order to exempt certain agencies or subdivisions thereof from coverage of the Federal Labor-Management Relations Program, it is hereby ordered as follows: Executive Order No. 12171, as amended, is further amended by deleting Section 1-209 and inserting in its place:

*Section 1-209. Agencies or subdivisions of the Department of Justice:*

a. The Office of Enforcement and the Office of Intelligence, including all domestic field offices and intelligence units, of the Drug Enforcement Administration.

b. The Office of Special Operations, the Threat Analysis Group, the Enforcement Operations Division, the Witness Security Division and the Court Security Division in

the Office of the Director and the Enforcement Division in Offices of the United States Marshals in the United States Marshals Service.

RONALD REAGAN

The White House,  
May 20, 1986.

[Filed with the Office of the Federal Register, 11:29 a.m., May 21, 1986]

## Remarks and a Question-and-Answer Session With High School Students From the Close Up Foundation

May 21, 1986

*The President.* Thank you very much, and welcome. And I think, for those who will probably be seeing and hearing this by electronic means, I should make it plain to them that you and I are seeing each other for the first time. There has been no rehearsing or anything of this kind. And I'm going to take your questions, and I don't know what those questions are going to be.

But I want to welcome you here. You're quite a cross section—all the way from Maine—let's see, it's about 11 communities, about 10 States, all the way from Maine out to Arizona and Washington on the west coast and in the desert area there. I think your interest in citizenship and public service and all is evidenced by the fact that you chose to do this and that you are here. You know, I know you're going to be a few days in Washington, and if you have to leave and you haven't completely learned everything about the Government in Washington, why, don't feel left out. I've been here 5½ years and I've still got some questions left about it. [Laughter]

But I'm not going to talk anymore, I'm going to get down to this—other than to thank our host here for this program, the foundation that has made this possible, Close Up Foundation, and for C-SPAN making it available for so many other people to see and hear. But now let's get down to the questions.

### *Financing College Attendance*

Q. Thank you, Mr. President. Mr. President, your administration seems to favor a view towards education which is one of self-motivation and not governmental support. I agree that to achieve, one must have this

self-motivation—important to maintaining our economic growth and—[inaudible]—independent of our generation being able—is dependent upon our generation being able to go on to higher education. Your scholarship dollars are not available, and costs of college education continue to grow. What can we do?

*The President.* Well, I think there's some misunderstanding. The question basically is getting at the great importance of education and at the college level and so forth and then the cost of going to college. There's been some misunderstanding about what we are or are not doing in that regard. First of all, we know that for education up through secondary, through high school, is basically the responsibility of the States and local communities, although there is some Federal aid in that, too. But then when we get to college, I have to tell you that, for example, next year more loans will be available for college students than ever in our history. It'll be around \$9 billion—is available for loans. There are other programs also, and the Federal Government is spending at a higher level in that kind of support than ever before. So, it isn't true that with all of our need to find economies that we have shut down education.

But while I've got you here, can I make a plug for something else? It is true that there are scholarships, and there well should be. And States have scholarships. I know my own State of California, when I was Governor, we increased the amount there to 11 times what it had been—the State scholarship program. These are earned, as you know, by your qualifications

and ability in school and all. But there's something else. There's nothing wrong, also, with working at jobs at the same time that you're going to school. Now, I say this because I worked my way through college, and there weren't Federal programs at that time. There were loan programs from private funds and endowments that you could apply. And finally, by my senior year, I got around to getting one of those loans. But lately, because of these other things that are available, you'd be surprised how many colleges have jobs on the campus for students and are literally advertising with no takers.

And let me just tell you, it isn't all bad if you have an opportunity to work to help defray your expenses, if you need to. Our programs are aimed at the neediest of students. Where we've made any cutback, it is not trying to help students that come from families where the income is at a level that they should be able to provide for their own education. But I have to tell you that I have never regretted—in fact, the job I had most of the time in college was one of the best jobs I've ever had. I washed dishes in the girls' dormitory. [Laughter]

But another question now.

#### *Funding for Toxic Waste Disposal*

*Q.* Thank you, Mr. President. Congress created Superfund—clean up waste sites of future toxic chemical disasters. Now that the funds allocated in this program have run out, what are the possibilities for getting more funding?

*The President.* Well, there will be more, and right now it's a case of how much and that, because as you know, and as I said before, we have some financial restraints, what with our big deficit. But one of the problems is how fast can that be used. You can lay out some money and then find that there's a restriction just through the very doing of the work in cleaning up these various pollution sources, that the money lies there and you just can't use it that fast. So, we're trying to arrive at what would be the sensible amount for us to appropriate, that is.

*Q.* There will be more funding?

*The President.* There will be, yes.

#### *South Africa*

*Q.* Thank you, Mr. President. Could you please give justification for your constructive engagement policies toward South Africa?

*The President.* Yes, I can. We're working with South Africa. There is a large element in South Africa that finds apartheid as repugnant as we do and is trying to do something about it. And the government has made progress. But like something here in our own country, when you have a Congress that has to be incorporated, sometimes he can't get as much as he's asking for. We are trying to be of help in this and in the progress that they're making. And the ultimate goal is one, and hopefully without violence—and we have been advocating quietly some approaches that we think might be helpful to them in what they're trying to accomplish. But our goal is, without any doubt, to see the end of apartheid in South Africa.

All right. I've got to start getting to the back of the room.

*Q.* Thank you, Mr. President. Do you think that Sullivan principle is a call of conduct mandating equal employment practices for black South Africans working for America's business corporations? And if so, why?

*The President.* Do I believe in what? A program for black Africans who are working in American corporations?

*Q.* Yes. And the call that they have about equal employment practices and everything?

*The President.* Yes, I do. As a matter of fact, some of your contemporaries who are demonstrating a little and think that we should withdraw and our industries get out of South Africa would be hurting the very people we want to help. Because American industry in South Africa, and this also applies to industries of some of our allied countries also—here, in our country, have adopted what was called the Sullivan code. And Sullivan is a black clergyman. And this is one in which for the first time in South Africa, in our plants, the rules that we go by in this country of fairness to all and with no discrimination apply. And it has set a mark that in competition for labor force has

made many of the locally owned South African firms have to change some of their ways because the practices in the American-owned companies are the very thing we're trying to achieve.

All right.

### *Defense Spending*

Q. Thank you, Mr. President. It seems to me that there will be no end in the arms race. If both the U.S. and Russia have created enough weapons to destroy each other in entirety, why are we still spending outrageous amounts of money building up our defense? And what would be accomplished by these other weapons?

*The President.* Actually, the United States—we think of weapons as a deterrent to war. In other words, that the possible adversary—and we have to believe that the Soviet Union is expansionist. They have a belief that their purpose must be to bring about world revolution to one-world Communist State. Karl Marx said that that was the only way it would really succeed, is when the whole world was that way. So, they are expansionist. We believe the means to maintain peace is to be strong enough to ensure that anyone taking a look and having a thought about an assault on us would recognize that the result and damage to themselves would not make it worthwhile.

Now, all of this talk about how much we have and what we're doing—in the last 5 years the Soviet Union has outbuilt us in fighter planes, in bombers—50 times as many as we and the NATO nations together—in artillery pieces, in tanks, and in ballistic missiles. You've got to remember that big as the military budget sounds—and some people have tried to make it sound very big indeed—that about two-thirds of that budget is to pay for the people that are in uniform and the rest is for spare parts and fuel and ammunition and new weapon systems and so forth. But, also, let me tell you that our military spending, as a percentage of the budget and as a percentage of gross national product, is smaller than it has been, heretofore, in the past.

At one time it was believed that the military—because national defense is the prime responsibility of the Federal Government,

to be able to protect our citizenry, and so we're spending a smaller percentage than has been spent in the past, than was spent in 1960. And we are playing catchup. We are trying to maintain a deterrent force so that no possible adversary is going to take a look and think that we're an easy target.

And may I just give you one little bit of history. Back when the world was in flames in the war in Europe that became World War II—we were not yet in it. Pearl Harbor hadn't happened. And the President of the United States then, Franklin Delano Roosevelt, a Democrat with a Democratic Congress, tried to get an increase in weapons because of the threat worldwide. And we held some maneuvers in Louisiana—the largest war games that we had ever held, to practice. And many of our troops were carrying wooden guns, and we used cardboard tanks to simulate armored warfare because we didn't have enough guns, and we didn't have enough tanks. When the war was over and our officers could talk to their counterparts among the enemy—and some of them asked the Japanese officers, they said, "Why Pearl Harbor?" Why, out of a clear blue sky, that attack that caused us to go to war? And they said, "Why not Pearl Harbor?" And they called attention to this thing at the Louisiana maneuvers—they said, "Your soldiers carried wooden guns, you were using cardboard tanks. We didn't think you'd fight."

Now, a possible adversary has to know that you would and you can. We have done a great deal to rectify a situation that when we took office, on any given day, half the airplanes in our service couldn't fly for lack of spare parts; half the ships in our navy, which had been reduced from a thousand ships to just a few hundred, couldn't leave port at any time because of lack of spare parts or not enough crew.

So, we're not just building weapons to build weapons. The answer to holding down defense spending must come when the Soviet Union will legitimately meet with us for a reduction in weapons. And we are ready to sit down with them, and have been any time in the last 5 years, to totally eliminate nuclear weapons. That is our goal and what we dream of.

*Mr. Janger.* Mr. President, I'm Steve Janger, President of the Close Up Foundation. And we have additional Close Up students on a telephone line in schools outside of Washington. And we're ready for that first call, which is from Colorado.

*The President.* All right.

#### *Afghanistan*

*Q.* Good morning, Mr. President. On behalf of the students at Overland High School, I would like to thank you for taking the time to share your thoughts and ideas with us this morning. Mr. President, we know that Congress has increased its aid to the Afghan rebels. Our question is: What is the ultimate objective of the United States financial aid to Afghan rebels, and how do you propose that these goals be accomplished?

*The President.* Well, there are several channels. We're working with the Soviet Union, as in the last summit conference on this subject, to persuade them to withdraw. How we see this coming about, or the settlement of this problem, is when the Soviet Union will withdraw and when, perhaps with international help, we can persuade the government, the then government of Afghanistan, which was established by the Soviet Union—they chose the head man and put him there, even though he is an Afghan—but then, that the people who are now fighting, the freedom fighters in Afghanistan, and the 3 million refugees who have been driven out of their country allowed to come back, that then, with help from the outside world, from countries like our own, to ensure order during the transition, that then the people of Afghanistan decide the kind of government they want and who they want to govern them. And we think that has to be based on a Soviet withdrawal, after 6 years of the bloodshed and the fighting that has been going on there.

*Mr. Janger.* Mr. President, our second student call is from Ohio.

#### *Foreign and Domestic Aid Programs*

*Q.* Hello, Mr. President. I would like to thank you for this opportunity for letting East High students speak to you today. Mr. President, there is tremendous amount of

poverty and hunger in America, even in Washington, DC. Why is our government giving military aid and assistance to foreign nations rather than taking care of people at home?

*The President.* We are doing both. I know that there's been a lot of talk the other way that we aren't doing this. The aid that we're giving to foreign countries is aid to the lesser developed countries so that they can take their place in the world of nations with an economy in which they can have a living standard that is improved—and no freedom. And some of that aid, also, is, very practically, military aid to them so that they can defend themselves. Which makes a lot more sense than if we, in our own protection, had to send troops there and maintain forces in those countries.

But at the same time, our programs of social aid to our own people are such that where there is hunger, you have to—in our country—you have to determine that that is probably because of a lack of knowledge on the part of the people as to what things are available. Not only is the Government doing much in that line, but there has been about a 3-times increase in private charity and aid in our country. We're unique in all the world. 1984, American people voluntarily gave \$74 billion to charitable causes in this country; 1985, they gave \$79.8 billion. It continues to go up. Much of that is in providing shelters, in providing programs of food, in school lunch programs and so forth. And between those two sectors, I don't believe that there is anyone that is going hungry in America simply by reason of denial or lack of ability to feed them. It is by people not knowing where or how to get this help.

*Mr. Janger.* Mr. President, that concludes our student calls. We can get back to the students who are here today.

*The President.* Oh, all right. I've got to move back in the room a little bit. Right on the aisle there, on the right. Yes.

#### *Budget Deficit*

*Q.* Thank you, Mr. President. I would like to know your opinion about the Gramm-Rudman bill. And do you think the bill is sufficient?

*The President.* The Gramm-Rudman bill, I just think this has been long overdue. I know there are some factors in it that the court doesn't agree with and I don't either. But to have a plan—for over 50 years our government has been running deficits. Here and there, maybe a single year back in that 50 when there wasn't a deficit, but there's been deficit spending. Many of us who complained openly about this and said, "We've got to stop this. We've got to spend within our means." We had voices over the 50 years in Washington saying, "Oh, it's perfectly all right. We owe it to ourselves." Well, now we've got a \$2 trillion debt hanging over your heads.

And so, Gramm-Rudman came along, and what it is is what we've been asking for—a plan. It's impossible to balance the budget in 1 year, to erase the deficit spending in 1 year. You would have to really disturb such programs that you'd cause hardship to our people. But we're on a path of 5 years in which if, annually, we start bringing the deficits down, and 5 years out we come to a balanced budget—and then what we need, and have not gotten so far—we need a constitutional amendment that says what Thomas Jefferson asked for clear back at the beginning of the Constitution—then, let us have an amendment that says the Federal Government cannot borrow. It has to spend within its means.

But this 5-year program—it means that now if someone stands up, for example, in the Congress and advocates a spending program, he's not just advocating something for this year and then you find out at the end of the year what happened to the deficit—he's violating a scaled program. He's breaking a discipline that says over 5 years we're going to arrive at this point of a balanced budget. So, I think it's one of the best things that's happened.

Let me—no, in the red.

#### *Education and Weapons Safety*

*Q.* Thank you, Mr. President. Pell grants and other educational programs are being cut and instead are being spent on building sophisticated nuclear arms. At the same time, military schools have very low reading scores. Do you think it's wrong for us to have educated people run these weapons

that threaten our lives instead of weapon systems?

*The President.* Now, sometimes I have a little difficulty in hearing. Maybe that's why I find myself calling on people down in front more. You're asking about what are we denying in order to have the weapons or—is that what you're—

*Q.* Mr. President, what I'm saying is that I'm scared that from cutting the Pell grants and other aid to students that we may have people operating very important machinery that can kill us, in essence, because they don't have the—

*The President.* And they don't have the proper education?

*Q.* Yes.

*The President.* I don't think we're in that danger. First of all, as I say, there's been a lot of talk that what we're doing is cutting back on necessary programs and in education—and that isn't true. There will be this year \$260 billion spent on education in the United States. And as I said, we're making college loans available at a greater amount than ever before.

And I think you'd be interested to know that with all the years, and even in wartime when we've had to draft people into the military—and we don't now; it's purely volunteer—we have the highest percentage of high school graduates in the uniformed forces than we have ever had in the history of this nation. And there are three intelligence brackets in the military—tests that are given to determine just what assignments these individuals are best fitted for. We have the highest percentage in the top intelligence bracket in the military than we've ever had in our history.

And at the same time, other programs having to do with education—I'm sure many of you must know that we appointed a commission and came back with a report on excellence in education. And that in '85 there was a nine-point increase in the average SAT scores. You know what those are, the scholastic aptitude tests—that's the biggest single-year increase since back around, I think it was 1963. And 35 States in the Union now have already upped their standards; 39 States have had an increase in graduates and so forth. So, education is un-



dergoing, in our country, quite a reformation. Many States have increased the school day. They've increased the requirements for graduation and so forth. I don't think we have any danger of what you've just suggested.

#### *Acid Rain*

*Q.* Thank you, Mr. President. The State of Vermont is deeply concerned with its environment. Since Vermont suffers greatly from acid rain, I'd like to know what further steps your administration intends to take to protect the environment from acid rain.

*The President.* We're taking them right now. As you know, we and Canada—we appointed two individuals to get together, Drew Lewis on our part and a gentleman from Canada, to review this whole thing and what is being done. And they have come back with some recommendations; many of them include some continued research. And we're doing that. In the last 5 years, we have cleaned our air of pollutants to a greater extent than many years back, until we get back to before there was pollution. And we're continuing all of this and taking action on it because we recognize it has to be solved. It is a complex problem too—acid rain. It isn't just as simple as saying, "Stop putting smoke out of the smokestack." We've got to figure the automobile factor in there, too. But we have made a 10-percent reduction in the last 5 years of one of the major pollutants that is responsible for acid rain. But we're going to continue until we get the job done.

Now, I'll come back down in front.

#### *Health Care Funding*

*Q.* Thank you, Mr. President. My question is—I understand that you've proposed to reduce Federal spending on health care, such as freezing Medicare at the present levels and reducing Federal expenditure contributions on Medicaid. However, if this proposal is to be enacted, what do you plan to do to help those elderly and poor that will lose some of their health benefits?

*The President.* Actually, here again is one of the things where if there are savings made, we're going to try to make them with having more care as to who is includ-

ed; in other words, to aim the program at the people of the greatest need—have real need. We have found again that when bureaucracy gets going with a program of this kind, there comes into being a looseness, and you find that people who should be responsible for themselves are benefiting at the cost to their fellow citizens, the taxpayers. So, we're trying to make the program more efficient and more effective. And there is no intention on our part to, in any way, reduce or make impossible for needy people to get health care.

It has been—incidentally, I hope you know that health care in America has known one of the biggest inflations in cost of almost anything, any service or any product that we buy; it has increased in cost faster than almost anything else. And I don't know, maybe part of that is due to the fact that if you go way back to 1952, there was eighty-four-hundredths of a person in a hospital—as a worker in a hospital, nurse or whatever, for each patient. And by 1978 there were over three people employed in the hospital for every patient. And sometimes we think there are some things that can be done that won't hurt the patient but that will benefit the whole program.

*Q.* Thank you.

#### *Michael K. Deaver*

*Q.* Thank you, Mr. President. What effect does the Michael Deaver affair have on support for acid rain legislation?

*The President.* Well, it's a little difficult for me to speak to this right now because this is now before the Justice Department and under investigation. I can only tell you that I have known Mike Deaver for 25 years. He was associated with me in the State government in California and all. And I think it is well for us to note that he was the one who asked for an investigation and a special investigator, which I think shows his confidence in his innocence. But as I say, I can't go beyond that because it is now in the hands of the Justice system.

*Mr. Janger.* Mr. President, we have time for one more question, sir.

*The President.* Oh, dear. Yes, you. All right.

### *Economic Growth*

*Q.* I was wondering what your administration is doing to improve economic, health, and educational conditions on Indian reservations. And I was wondering what you, sir, plan—your administration is going to be doing and what future plans future administrations are going to be doing for plans to improve the conditions on Indian reservations?

*The President.* Now, improving—

*Q.* Improving economic, health, and educational conditions on the Indian reservations.

*The President.* Oh, well, this is the responsibility of the governments; this is what we're aiming at. And we think we'll be far better able to handle them if we get out from under this constant deficit spending for what we think are a number of programs that are not worth the cost and that government shouldn't even be attempting to perform. We're having some problems getting this done through the Congress. But having served 8 years as a Governor and now 5½ years here, I have to tell you that government is not always the answer to some of our problems.

We have a private sector, and we are a government of, by, and for the people. Right now, we've had the longest period of recovery and economic expansion that we have had in the last 50 years. And we have it because, number one, we reduced taxes, rather than raise them, so that the people had more money in their own pockets to do with what they wanted to do. We eliminated thousands of regulations imposed by government on every kind of business and even the private individual. In short, we eliminated—trying to eliminate more government programs that we felt were simply interfering and unnecessary. When I was Governor I discovered, at that end where the programs were being implemented, that some of our welfare programs for the people were costing the Federal Government two dollars for every dollar they could deliver to a needy person. Now, that's too high an overhead. And these are the things we're trying to clean up, and I think we've made great progress.

And I have to tell you, I think that your

future, all of you, with regard to the availability of jobs—we have created almost 10 million new jobs in this country over the last 42 months. Our trading partners out in the world cannot point to a new job that has been created in the last 10 years. They have unemployment rates that are several times as great as ours. Today we have the highest percentage of the work potential in our country employed ever in our history. Now, the potential work force is considered to be everybody, male and female, from age 16 to 65. We have 110 million of those employed now. If the tax reform program that we're working on right now goes through, it is estimated that alone in the next decade will create 4 million new jobs.

### *Voter Participation*

The opportunities for you—and a lot of that's going to depend on you remaining the kind of citizens that vote when there's an election. And I don't care whether it's somebody on the school board at the local level or whether it's for President of the United States—vote. The people that are elected to serve you are no better and no worse than the people who send them into government to serve. But they're all better than the people who don't vote at all. And here in this country—and I have—do I have enough of a second to say another thing?

*Mr. Janger.* Yes, sir.

*The President.* You know, we're coming to the celebration, the anniversary of the Constitution. I've made it a point to read a lot of other constitutions, including the one of the Soviet Union. And you'd be surprised at how many of those offer the same things ours do—right of assembly, freedom of speech. Of course, in Russia they don't observe it, but it's there in the constitution. All these things. So, what makes ours so different? Well, the difference is so slight that it's overlooked too often. But it is so great, it explains the entire world difference. All those other constitutions are written by the government saying, these are the privileges we permit the people. Ours says, "We the People," permit the Government to do the following things, and the Government cannot do anything that we have not, in the Constitution, told the Gov-

ernment it can do.

So, don't just take it easy and miss an election day. Stay interested. Stay involved. Become public-spirited citizens when you're out, and this country will continue to offer the greatest opportunities of any place in the world.

I'm so grateful to all of you for being here, and I'm so sorry about all those hands that came up that I couldn't reach. I've often thought that he should do the choosing of the questions—[laughter]—and then my conscience would be clear, and I would just answer the questions.

*Mr. Janger.* Mr. President, young people everywhere learn from your candor and from your willingness to meet with them. And you're a very special kind of teacher. On behalf of those young people everywhere, and certainly on behalf of those who are here today, I'd like to ask Ms. Tara Jacob, from Topsail High School in North Carolina, to join me in presenting you with this remembrance. Tara, if you could hold that, I'd love to read it, Mr. President. It says: "To President Ronald Reagan. Your extraordinary commitment to young people

leads to a greater understanding and appreciation of our democratic system of government. With deep gratitude and respect, the Close Up Foundation. May 21, 1986."

*The President.* Well, thank you very much. This is a picture of 1983, the last time I did this here—

*Mr. Janger.* Yes, sir. And we couldn't be more proud.

*The President.* —and I've been begging for a comeback and to be able to do it again.

*Mr. Janger.* Thank you, sir, for everything, on behalf of all of us. Thank you very much.

*Note: The President spoke at 11:32 a.m. in Room 450 of the Old Executive Office Building. The session was taped for broadcast on the Cable Satellite Public Affairs Network. The participants were part of the Close Up Foundation program, a nonpartisan educational foundation providing secondary school students opportunities to study the American political system. Stephen A. Janger was president of the Close Up Foundation.*

## Proclamation 5486—Better Hearing and Speech Month, 1986 May 21, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Sounds, whether we produce them or receive them, are an integral part of our lives. Musical sounds bring us a whole range of delight. Much of our knowledge of the world around us we learn through sounds: conversations allow us to gather and convey information, to question and to receive answers; ringing fire alarms warn us to clear a burning building. Sounds—both the ones we hear and the ones we make—help us to understand others and be understood.

More than fifteen million Americans strive daily to surmount the isolation that hearing impairment so often brings. Over ten million Americans endeavor to commu-

nicate despite speech disorders. We can help people with communicative disorders fulfill their potential by identifying and removing the man-made obstacles that limit their educational and occupational opportunities. Our efforts will enrich not only their lives, but our own.

Today, in medical institutions across the country, scientists supported by the National Institute of Neurological and Communicative Disorders and Stroke and by numerous voluntary health agencies are carrying out a wide range of research to find better ways to prevent, treat, and cure hearing and speech disorders. Investigators have discovered much about the structure and function of the systems involved in hearing and speech. They have developed new devices and medications that offer hope

where before there was none. Still, much remains to be learned.

To heighten public awareness of hearing and speech disorders, the Congress, by Senate Joint Resolution 284, has designated the month of May 1986 as "Better Hearing and Speech Month" and has authorized and requested the President to issue a proclamation in observance of this month.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of May 1986 as Better Hearing and Speech Month, and I*

call upon the people of the United States to observe this month with appropriate ceremonies and activities.

*In Witness Whereof, I have hereunto set my hand this twenty-first day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:19 a.m., May 22, 1986]*

## Proclamation 5487—National Tourism Week, 1986

May 21, 1986

*By the President of the United States of America*

### *A Proclamation*

Tourism is vital to the United States. It contributes significantly to our economic prosperity. It creates jobs and helps out on our balance of payments. Most of all, it creates better understanding of this Nation's social and cultural realities, including our history.

People are central to the travel industry. It supports, directly or indirectly, almost 7 million jobs. Travel and tourism have grown substantially over the years. The industry now generates business receipts of approximately \$260 billion annually. Payroll income alone is \$60 billion, and tax revenue is \$33 billion. Indeed, international tourism now ranks as this Nation's largest business "export" in the service industries.

This Nation is blessed with a magnificent and varied array of tourist attractions: our extraordinarily diversified landscape, and some of the world's most vibrant cities, cultural attractions, and natural wonders. Nowhere else but in America can you find such beautiful coastlines and beaches, majestic mountains, lush valleys, rugged woods, rolling plains, awesome canyons, scenic deserts, tropical islands, and Arctic

snowscapes. No wonder the world wants to come and see where we live. Let us welcome them and treat them as honored guests.

In recognition of the many educational, economic, and recreational benefits of tourism to the people of this country, the Congress, by Public Law 99-98, has designated the week beginning May 18 through May 24, 1986, as "National Tourism Week" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning May 18 through May 24, 1986, as National Tourism Week, and I call upon the people of the United States to observe such week with appropriate ceremonies and activities.*

*In Witness Whereof, I have hereunto set my hand this twenty-first day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:20 a.m., May 22, 1986]*

## Proclamation 5488—Older Americans Melanoma/Skin Cancer Detection and Prevention Week, 1986

*May 21, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Skin cancer is the most common form of cancer, and its incidence is rising. Fortunately, it is also the most preventable form of cancer and the easiest to detect early and treat successfully. The risk of developing skin cancer increases throughout adult life, with the highest incidence occurring among people over 50.

There are two basic types of skin cancer: the common basal cell and squamous cell cancers, and the less common but far more serious type called melanoma. More than 400,000 new cases of nonmelanoma skin cancer are diagnosed in the United States each year. These cancers have a high cure rate, especially with early detection and prompt treatment. Most can be treated in the doctor's office.

Occurrence of nonmelanoma skin cancers varies directly with exposure to ultraviolet light from the sun (and "sun lamps" of various kinds), and indirectly with skin pigmentation. Older Americans can reduce their risk of skin cancer by avoiding excessive exposure to sunlight, particularly if they are fair-skinned; by avoiding exposure during the 10 a.m. to 2 p.m. hours; by wearing protective clothing; and by using sunscreen lotions and ointments. Prudent avoidance of too much sunlight is fully compatible with enjoyment of the great outdoors.

Older Americans may mistake the signs of skin cancer for normal skin changes due to aging, and they should be alert to these signs. Many skin growths are noncancerous, but any new growth on the skin, or a sore that does not heal, should promptly be brought to a doctor's attention. Skin cancer has many different appearances, but it occurs most frequently on sun-exposed areas of the body.

Melanoma is a far more serious health problem, but it also is highly curable when

detected and treated early. About 23,000 new cases will be diagnosed this year. Melanoma is also related to exposure to ultraviolet light but not as directly as nonmelanoma skin cancers. Older Americans should be alert for changes in the size or color of a mole or rapid darkening, ulceration or scaliness or changes in the shape or outline of a mole, or development of a new pigmented lesion or bulge in a normal skin area. These are some of the most common signs that may signal melanoma, and a doctor should be consulted without delay.

The American Academy of Dermatology and other dermatologic organizations are committed to educating the public about all types of skin cancers. This year marks the Second Annual National Melanoma and Skin Cancer Detection and Prevention Program, a coordinated national effort of professional dermatologic organizations to reduce the increasing incidence of skin cancers and to better control these cancers by prompt diagnosis and appropriate treatment.

The Congress, by Senate Joint Resolution 267, has designated the week of May 26 through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week" and has authorized and requested the President to issue a proclamation in observance of this week.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of May 26 through June 1, 1986, as Older Americans Melanoma/Skin Cancer Detection and Prevention Week, and I invite all Americans to observe the week with appropriate programs and activities.*

*In Witness Whereof, I have hereunto set my hand this twenty-first day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the*

May 21 / Administration of Ronald Reagan, 1986

United States of America the two hundred  
and tenth. RONALD REAGAN

[Filed with the Office of the Federal Register, 11:21 a.m., May 22, 1986]

## Proclamation 5489—National Farm Safety Week, 1986 May 21, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Our remarkable agricultural system has enabled our Nation to make great strides in efforts to conquer hunger and to meet the food and fiber needs of our people as well as countless others around the world. But we cannot afford to let up in the battle against accidental injuries and illnesses that take an unduly high toll of those whose toil is responsible for this abundance.

Each year, many thousands of farm and ranch residents and workers are seriously or fatally injured at work, in the home, during recreation, and in traffic accidents.

Although much has been accomplished over the years to make farm life safer and healthier, much more remains to be done. Everyone in the agricultural community should make renewed efforts to be informed about potential hazards and take steps to minimize those dangers. This includes the conscientious use of mechanical safeguards like protective equipment and safety belts. I commend our farm equipment manufacturers for their emphasis on building safeguards into their equipment

and warning of possible hazards in operational misuse, but there is no substitute for vigilance and common sense in using equipment. Awareness, on the job and off, is the surest way to avert mishaps and tragedies.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of September 21 through September 27, 1986, as National Farm Safety Week. I urge all those who live and work on farms or ranches to take necessary precautions to protect their safety and health—on the job and off. I also urge leaders in the agricultural community to bolster safety and health efforts in your area by example and by educational programs. I encourage all Americans to participate in appropriate events and activities in observance of National Farm Safety Week.

In Witness Whereof, I have hereunto set my hand this twenty-first day of May, in the year of our Lord nineteen hundred and eighty-six, and the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:06 p.m., May 22, 1986]

## Letter to Senate Majority Leader Robert Dole on the United States Arms Sale to Saudi Arabia May 21, 1986

*Dear Bob:*

For the past two weeks, I have shared your concern for our ability to gain necessary congressional support for the Saudi missile sale in its present configuration. Yesterday I met with the Saudi Ambassador to the United States, His Royal Highness Prince Bandar bin Sultan, to discuss this

issue. Prince Bandar informed me that the Saudi Government, recognizing the particular sensitivity of Stingers being transferred to any country and the importance of the sale to the security of the Persian Gulf area, has decided to withdraw its request for Stingers.

Today I am signing a message to the

Senate vetoing S.J. Res. 316, which would disapprove the sale of all missiles included in this notification: AIM-9L, AIM-9P, Harpoon, and Stinger. If my veto is sustained, I will proceed with the sale but will not include the 200 Stinger launcher systems and the 600 missile reloads. A subsequent Saudi renewal of their request for Stingers would require the submission of another notification of the sale to the Congress in accord-

ance with Section 36(b) of the Arms Export Control Act.

It is my sincere hope that with this modification of the Saudi request, the Congress will agree to this sale. It remains a vital and timely symbol of U.S. security commitments in the Middle East.

Sincerely,

RONALD REAGAN

## Message to the Senate Returning Without Approval the Bill Banning the United States Arms Sale to Saudi Arabia *May 21, 1986*

*To the Senate of the United States:*

I am returning herewith without my approval S.J. Res. 316, a resolution that would halt the proposed sale of defensive missiles to Saudi Arabia.

The U.S. defense relationship with Saudi Arabia was started by President Roosevelt in 1943 and endorsed by every President since. I cannot permit the Congress to dismantle this long-standing policy, damage our vital strategic, political and economic interests in the Middle East and undermine our balanced policy in that region.

The American people and their representatives should understand that this sale is in our interests. It is not just a favor to our friends in Saudi Arabia. Moreover, it is not being done at anyone's expense.

The security of Israel remains a top priority of this Administration. This sale will not endanger Israel's defenses, a fact that is underscored by Israel's decision not to oppose the sale.

Stability of the oil-rich Persian Gulf is another goal of great importance. In a region living in the shadow of the tragic and gruesome Iran-Iraq war, and threatened by religious fanaticism at its worst, we cannot afford to take stability for granted. Saudi willingness to stand up to Iranian threats has been key in preventing the spread of chaos. It has been Saudi Arabia's confidence in our commitment to its security that has

allowed it to stand firm.

But Saudi Arabia produces no weapons of its own and we have not sold the Saudis new arms in almost 2 years. If we suddenly shut off that supply, it will weaken our own credibility, as well as the Saudis' ability to defend themselves. It would send the worst possible message as to America's dependability and courage.

Behind the scenes, the Saudis have aided the effort to combat terrorism, which is as much, if not more, of a threat to them as it is to us. Recently, they refused Qadhafi's requests for aid. Several times in recent months, they have been instrumental in offsetting unjust criticism of the United States and preventing radical states from undertaking joint action against our country.

The Saudis have proven their friendship and good will. They have assisted our efforts to support responsible governments in Egypt, Jordan, and Sudan. They have worked quietly in the search for peace in Lebanon, in the Arab-Israeli conflict, and in the Iran-Iraq war. They also provide impressive assistance to the government of Pakistan and to Afghan refugees.

In the long run this sale will be good for America, good for Israel, good for Saudi Arabia, and good for the cause of peace.

I ask members of both parties to sustain this veto and to join me in protecting our

country's vital interest.

RONALD REAGAN

The White House,

May 21, 1986.

## Remarks at the Annual Republican Senate/House Fundraising Dinner

May 21, 1986

Thank you, Guy, and thank you all very much for this wonderful evening and the privilege for being here. If I remembered one sterling lesson from the profession that used to occupy my time, I'd sit down now while I'm ahead.

They call this the President's Dinner. You've already been told it's really you—and it is true—all of you, who deserve the honors. And as you've heard already, this is the third year in a row that this dinner has broken its fundraising records. And a lot of the credit goes to the campaign committee chairmen, Guy Vander Jagt, John Heinz, as well as honorary cochairmen Dole and Michel, the two Bobs as we sometimes call them. I wouldn't dare say the Bobbsey Twins. *[Laughter]* And I want to give special thanks to the dinner chairman, Drew Lewis, and his band of loyal party leaders who helped to make this all possible, including Ted Welch, Walter Wriston, Howard Allen, Jack McDonald, and T. Boone Pickens. Gosh, Boone, we've raised \$7 million this year. That's almost enough to buy a small oil company. *[Laughter]*

But we've got some other urgent business at hand, and that's the Senate and House campaigns in 1986. You haven't heard that mentioned here tonight yet. And we've certainly got our work cut out for us. The elections in '86 will chart America's course into the 1990's and beyond. Will America be strong, economically and militarily? Will we march into the 21st century with pride in our accomplishments, a leader in freedom, a force of hope to the other nations of the world? Or will we slide back into the malaise that George [Bush] mentioned that gripped our nation just 6 short years ago, forsaking the future of greatness that is rightly America's? That's what will be decided in these midterm elections.

I know and you know that without a Re-

publican majority in the Senate and a strong Republican base in the House that enabled us to build a winning coalition, without that critical mass of Republicans in the Congress, all that we've accomplished in these last 5½ years would never have been possible. We slashed tax rates, yes. We cut back needless regulations, liberating the entrepreneurial genius of the American people and giving our nation one of the longest sustained periods of economic growth in postwar history. We began rebuilding our military, regaining the trust of our allies and the respect of our adversaries. And we stand proudly on our record. I wonder, can the other side say as much?

In 1980 and 1984 the American people have repudiated the Democratic Party's policies of envy at home and weakness abroad. But don't think for a minute that the other side has been chastened. They're still up to their old tricks, fighting us every step of the way. Given half a chance, they would quickly begin to dismantle the strong and proud America that we've spent these 5½ years building. They'd gleefully take it down, piece by piece, all the while talking on and on about their so-called fairness. Well, if anyone has any doubts about where the other side still stands, all they have to do is look at the budget recently produced by the Democratic House of Representatives. It's a budget only Tip O'Neill's mother could love. *[Laughter]*

The other side still seems to have only two ideas: raise taxes and slash defense. And they still talk about America's defense as if it were somebody else's special interest. Well, maybe there's something revealing in that. There is one overriding question that is not being addressed by the other side: Has the Soviet Union in any way reduced its enormous and dangerous military buildup or its drive for domination that threat-



ens the security of the West? And the answer is no. Today the Soviet Union has deployed over 1½ times as many combat aircraft as the United States, over 2½ times as many submarines, over 5 times as many tanks, and over 11 times as many artillery pieces.

As long as this heavy responsibility is mine, I cannot sit back and permit some reckless antidefense budget to tear down all that we have done. Ladies and gentlemen, none of us can sit back. If the Republican Party must stand a lonely vigil to guard the gates of freedom, then so be it. We must meet this challenge. We must speak frankly and firmly and rally the people's support. We must protect the security of America. And, yes, we must and will protect the brave young men and women who risk their lives to keep us free. They deserve the best that we can give them.

The House budget demonstrates that the Democratic Party is still thinking exactly the same way they did back in the seventies, when its policies produced orbiting interest rates, stratospheric inflation, and a mothballed military. It should give America fair warning of what will happen if the other side takes control of the Senate. All that will stand between America and an instant replay of the late seventies is the Presidential veto. Our program for a strong, vital, and growing America will become stymied by partisan politics and obstructionism.

Well, we can't let that happen. Our agenda is too full for the years ahead. The Republican Party has its eye set on the future. It's our job in these next 2½ years to lock in the gains we've made to institutionalize this second American revolution of hope and opportunity. We must create a momentum for growth at home and strength abroad, a momentum so strong that it will even sweep up the other side and carry them along. That may sound like wishful thinking, but it's not. We've already seen it happen this year with the dramatic breakthrough of what has already been mentioned here tonight: tax reform in the Congress. A consensus is forming in America around low tax rates and progrowth policies. Looking back on the redistributionist high-tax policies of the late seventies, it

now seems like the Dark Ages. The Democratic Party's politics of envy has been consigned to the trash heap of economic history.

As the tax reform bill now before the Senate exemplifies, by cutting tax rates, all of America will benefit; every American can come out a winner. And pulling together, rather than pulling apart, we can all contribute to fulfilling America's destiny of greatness. You know, we've talked of simplification of the tax structure. I'll just give you one classic example. There is one section of the tax code, the opening line of which contains—the opening sentence—478 words. It only took 16 words to put the income tax into being.

I must admit there were times in this process, as tax reform wended its way through the passageways of Congress, that even I had momentary doubts. It's sort of like the time that the late Marilyn Monroe met Albert Einstein. Marilyn grabbed him by the arm and said, "Let's get married." Einstein looked at her and said, "My dear, what if our children had my looks and your brains?" [*Laughter*] And as I said, there were moments of concern—[*laughter*—but thanks to the farsighted, imaginative leadership of Bob Packwood and the other members of the Senate Finance Committee, we can all be proud parents. We're writing history with this bill. And so, is this not the moment to bring the rates down to their lowest level in half a century; to open the doors to opportunity for every American, no matter what their background or the color of their skin; and to fire the entrepreneurial engines that will carry America into the 21st century? Yes, the time is now.

This is the kind of positive, future-oriented legislation a Republican Senate can give America. If we keep the Senate in '86, we'll keep it into the 1990's. Progrowth tax reform will be matched with spending restraint and a balanced budget. Inflation will become a memory of the distant past, rather than a slumbering beast, always ready to be reawakened. Do you know that in the first quarter of this year, so far—not giving the average over 12 years, just for that quarter—there's actually been a decline in the—not—it's been deflation. We're

going down, not up above the basic cost. We can look forward to no less than a new America, a rising America, reaching up to our greatest dreams, bound by the values of love for country, family, faith, and freedom that have held us together, in good times and bad, since our earliest days. And when we speak of values, let us always remember that our first and highest value is life itself. We stand proudly for the right to life of every living soul, and this includes from the unborn to all those in the twilight of their years. I have a great sympathy for people in the twilight of their years. *[Laughter]*

In foreign affairs we've seen that we can count on the Republican Senate to stand firmly on the side of freedom. Where does the House stand? Unfortunately we can't know, because the Democratic House leadership has twisted the rules so that a fair up or down vote on aid to the Nicaraguan freedom fighters was not possible. Can we turn our backs on our brothers and sisters to the south and still remain worthy of our own forefathers? Can we renounce the good and worthy ideals for which these Nicaraguan patriots shed their blood and believe their freedom lost there may not one day be lost here as well? Some say, "Yes." I say, "Never." And I say a few words that are not mine; they belong to that immortal Winston Churchill: "We must never give in. Never, never, never." Never, until the people of Nicaragua can live in the full sunlight of freedom and democracy.

So, this is the choice in '86: legislative

finagling or leadership; high taxes and over-spending or balanced budgets and economic growth; a weak, isolationist America in a world held hostage by pro-Soviet tyrants and Third World despots or a strong, secure America that accepts its destiny as leader of the free world. We've built the foundations of a future full of hope, an American future of unparalleled achievement and prosperity. We've got a proud record of success on our side. The other side should be forewarned: There ain't no stoppin' us now.

I want to thank each and every one of you for all you're doing for the party and for America. The next time I address one of these gatherings, I am counting on there being so many new Republican Senators and Representatives that it will be standing room only. If you've missed what I've been trying to say here, it really is—and there just aren't enough words to say it properly—just all of you—this country started out with a revolution that had never taken place before or since, a revolution that changed the entire philosophy of government, a revolution based on three words: "We the People." And you, the people, are going to keep that revolution in existence, and I thank you from the bottom of my heart, and God bless you all. Thank you.

*Note: The President spoke at 9:45 p.m. in Hall A of the Washington Convention Center. The dinner was sponsored by the National Republican Senatorial Committee and the National Republican Congressional Committee.*

## Remarks During a White House Briefing for Members of the American Retail Federation

May 22, 1986

It's an honor to be able to speak to you, the members of the American Retail Federation. You represent a vital sector of our economy—one that employs 18 million Americans—and I want you to know how much I appreciate the support that you've given to our administration from the very first. It's been a while now, and we're get-

ting to be the best kind of friends: old friends. We can look back on many a battle that we've been through together—and isn't it nice to be able to say that most of the time, we've won?

When we took office our nation saw orbiting interest rates and stratospheric inflation and a mothballed military. Not any-

more, not by a long shot. With your help we've slashed tax rates, cut back needless regulations, liberating the entrepreneurial genius of the American people and giving our nation one of the strongest periods of economic growth in postwar history. Think of the products the new spirit of enterprise has put on our shelves—or your shelves, products undreamed of just a few years ago: personal computers, compact disc players, new fabrics, even teddy bears that tell entire stories. *[Laughter]* We've begun rebuilding our military. You know, in those unusual gifts, I have to tell you, someone gave me one the other day—it was new to me. It was a little duck. And if you squeezed it, it laid jellybeans. *[Laughter]*

But we've begun rebuilding our military and regaining the trust of our allies and the respect of our adversaries. And we've made strides toward getting deficit spending under control once and for all. Of course, we've faced opposition every step of the way—just look at the budget the House of Representatives passed last week. What does that budget call for? You guessed it: weakening our defenses and raising our taxes. There's something about this that would be ridiculous if it weren't so sad. For nearly 5½ years now the American people have been repudiating the old policies of high taxes at home and weakness abroad, but the opposition keeps coming back with the same old thing. To borrow a comparison from retailing, the opposition is beginning to look as out of it as a department store that stocks wide ties and and bell-bottom pants. The American people just aren't buying; neither is the Senate, and neither am I.

In addition to this budget, the Democratic leadership in the House has put together a trade bill—well, rather, I should say, an antitrade bill—that is openly and rankly political. This antitrade bill, this protectionist legislation, would have our nation violate the most basic tenets of free and fair international trade. Indeed, it would plunge the world into a trade war, eroding our relations with our allies and free world trading partners. Economic growth in America and around the world would be the casualty. And again, there's a certain sense in which this effort on the part of the opposition is

embarrassingly old-fashioned and out of date. We've known since the Smoot-Hawley tariffs of 1930 that protectionist legislation doesn't work, that it means less world trade and less prosperity here at home. Now, I'm one of the few around here maybe that has a firsthand memory of trying to get a job in the Great Depression. But the Smoot-Hawley tariff that we adopted spread that Depression worldwide and lengthened out by decades our ability to recover.

So, our administration has worked to open markets, not to close them, and to keep those markets fair. Where trading partners appear to be cheating Americans, we're taking action. Already, we have a number of investigations underway. But the House bill would cost American consumers billions and undercut the millions of American jobs connected with foreign trade. And believe me, I don't intend to let that happen. And I'd like to ask your help in letting the Congress know that the answer is more world trade, not less. And I don't think I can ask if I need to count on you—or can count on you. I'm taking that for granted.

But these budget and antitrade bills are rearguard actions; they're manifestations of the past. The future belongs to others, to those like you who believe in using these next 2½ years to lock in the gains that we've already made in working to institutionalize this second American revolution of hope and opportunity. We've already seen a giant step in this direction with the dramatic breakthrough of tax reform in the Congress. And would I be wrong if I thought that maybe the Secretary of the Treasury [James A. Baker III] has already talked to you about tax reform? *[Laughter]*

A consensus is forming in America around low-tax rate, progrowth policies. Looking back on the redistributionist, high-tax policies of the late seventies, it now seems like the Dark Ages. The old politics of envy are over. As the tax reform bill now before the Senate makes clear, by cutting tax rates every American can come out a winner. And pulling together, rather than pulling apart, we can all contribute to fulfilling America's destiny of greatness.

I must admit there were times in this

process, as tax reform wended its way through the sometimes convoluted passages of Congress, that even I had some momentary doubts. I told a group last night that it was a little like the time Marilyn Monroe, the late Marilyn Monroe, met Albert Einstein. And Marilyn grabbed him by the arm and said, "Let's get married." And Einstein looked at her and replied, "But, my dear, what if our children had my looks and your brains?" [Laughter] As I said, there were moments of concern. But thanks to the farsighted, imaginative leadership of Bob Packwood and the other members of the Senate Finance Committee, we can all be proud parents. With your support, we're writing history with this bill.

I've noticed that some of those who are speaking out the loudest against tax reform don't mention one very significant goal that's achieved in that present bill, and that is simplification. And just to illustrate what we're up against with the present tax code that started out with a 16-word amendment to the Constitution and now has, I think, a line of books 57 feet long that encompass the tax code. Here's just a sample of some of that Internal Revenue Code. The last sentence of section 509A of the code: "For purposes of Paragraph Three, an organization described in Paragraph Two shall be deemed to include an organization described in Section 501C 4, 5, or 6, which would be described in Paragraph Two if it were an organization described in Section 501C 3." [Laughter] Now, I think that says it all. [Laughter]

Well, so this is not the moment to bring tax rates down to their lowest level in half a century. I said that wrong. [Laughter] I reversed the sentence. Is this not the moment to bring tax rates down to their lowest level in half a century, to open the doors to opportunity for every American, no matter what their background or color of their skin, and to fire the entrepreneurial engines

that will carry America into the 21st century? Yes, the time is now.

And you know, I believe we have the chance to combine progrowth tax reform with spending restraint and a balanced budget. Inflation will become a memory of the distant past, rather than a slumbering beast, always ready to be awakened by overspending. Interest rates can fall further, making that first home no longer a dream but a reality for young couples today. Declining interest rates, low inflation, a healthy, growing economy—imagine what this means to our nation's retailers, and imagine what it will mean in time to our struggling farmers; to our homeowners and car buyers; or to the millions of American entrepreneurs trying to raise capital to start a new business.

We're seeing no less than a new America—a rising America, reaching up to our greatest dreams, bound by the values of love for country, family, faith, and freedom that have held us together in good times and bad since our earliest days. You know, as we looked at the second half of this second term, I sometimes think of the quip that Mark Twain is supposed to have made about listening to an opera in German. He said, "You have to wait until the end to hear the verb." [Laughter] So it is with this administration. There's a great deal left to be accomplished before the final curtain. And when we do reach that curtain, my friends, I'm confident our verb will be "done," "well done."

So, thank you again for your friendship and support. And God bless you all. [Applause] Thank you. Thank you very much. Don't tempt me too far. Remember my previous occupation—I might try for an encore. [Laughter]

*Note: The President spoke at 11:30 a.m. in Room 450 of the Old Executive Office Building.*

## Message to the Senate Transmitting the Cameroon-United States Investment Treaty *May 22, 1986*

### *To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Cameroon concerning the Reciprocal Encouragement and Protection of Investment, signed at Washington on February 26, 1986. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

The Bilateral Investment Treaty (BIT) program, initiated in 1981, is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Cameroon and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an

open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty at an early date.

RONALD REAGAN

The White House,  
May 22, 1986.

## Message to the Congress Transmitting the Biennial Report on the Stable Food Production Plans of the Caribbean Basin Economic Recovery Act Beneficiary Countries *May 22, 1986*

### *To the Congress of the United States:*

Section 213(c) of the Caribbean Basin Economic Recovery Act (CBERA) requires that all beneficiary countries exporting beef or sugar to the United States under the duty-free provisions of the Act submit a stable food production plan. Food plans consist of measures and proposals to ensure that food production in and the nutritional level of the population of a beneficiary country are not adversely affected by changes in land and other resources use that could result from increased sugar and beef production undertaken in response to

the duty-free treatment for these exports into the United States.

In accordance with section 213(c)(4) (19 U.S.C. 2703(c)(4)) of the Caribbean Basin Economic Recovery Act (CBERA), I am submitting to you my biennial report on the extent to which each CBERA beneficiary has implemented its stable food production plan and the results of such implementation. My report concludes that each beneficiary country has demonstrated a good faith effort to implement and monitor its stable food production plan, although there have been varying degrees of success in country efforts to improve nutritional levels and to

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increase agricultural productivity.

RONALD REAGAN

The White House,  
May 22, 1986.

## **Appointment of the 1986–1987 White House Fellows** *May 22, 1986*

The President today announced the appointment of the 1986–1987 White House fellows, the 22d class of fellows since the program began in 1964. The 11 fellows were chosen from among 585 applicants nationwide and were screened by 11 regional panels. The President's Commission on White House Fellowships, chaired by Vice Adm. James B. Stockdale, USN (Ret.), interviewed 34 national finalists before recommending 11 names to the President. The fellows' year of government service will begin on September 2, 1986. The 1986–1987 White House fellows are:

*Paul A. Gigot*, 30, of Green Bay, WI; editorial page editor, The Asian Wall Street Journal, Hong Kong;

*Kristine A. Langdon*, 28, of Waltham, MA; associate, McKinsey & Company, Inc., Boston, MA;

*Maj. William J. Lennox*, U.S. Army, 36, of Houston, TX; student, U.S. Army Command and General Staff College, Ft. Leavenworth, KS;

*Meredith A. Neizer*, 29, of Dover, NJ; transportation analyst, Exxon International Co., Florham Park, NJ;

*Capt. Vicki A. O'Meara*, U.S. Army, 29, of Burnsville, MN; Assistant to the General Counsel, the Pentagon, Washington, DC;

*Maj. Michael R. Reopel*, U.S. Army, 33, of West Point, NY; assistant professor, department of social sciences, U.S. Military Academy, West Point, NY;

*Maj. Michael C. Ryan*, U.S. Army, 36, of Arlington, TX; student, College of Naval Command and Staff, U.S. Navy War College, Newport, RI;

*Thomas A. Saponas*, 37, of Colorado Springs, CO; research and development manager, Hewlett-Packard Co., Colorado Springs, CO;

*Robert G. Schwetje*, 37, of Longmont, CO; vice president, personnel, Valleylab, Inc., Boulder, CO;

*Maj. William L. Webb III*, U.S. Army, 35, of Vienna, VA; associate professor and executive officer, department of social sciences, U.S. Military Academy, West Point, NY;

*Diane C. Yu*, 34, of Albany, CA; Superior Court Commissioner, Alameda County Superior Court, Oakland, CA.

Fellows serve for 1 year as Special Assistants to the Vice President, members of the Cabinet, and the President's principal staff. In addition to the work assignment, the fellowship includes an educational program which parallels and broadens the unique experience of working at the highest levels of the Federal Government. The program is open to U.S. citizens in the early stages of their careers and from all occupations and professions. Federal Government employees are not eligible, with exception of career Armed Forces personnel. Leadership, intellectual and professional ability, and commitment to community and Nation are the broad criteria employed in the selection of fellows.

## **Appointment of Robert H. Christensen II as a Delegate to the National White House Conference on Small Business** *May 22, 1986*

The President today announced his intention to appoint Robert H. Christensen II to be a delegate to the National White House Conference on Small Business. This is a new position.

Since 1970 Mr. Christensen has been president and general manager of the Christensen Broadcasting Co., Inc., in Humboldt, IA. He is a member of the National Association of Broadcasters, where he has

been serving on the small market committee since 1984. He has been serving as a member of the Iowa Real Estate Commission since 1984. He also was a member of the Region VII Des Moines Advisory Council of the Small Business Administration, 1982–1984.

Mr. Christensen attended Eagle Grove Junior College and graduated from the Don Martin School of Radio & TV Arts & Sciences in Hollywood, CA (1967). He is married, has two children, and resides in Humboldt, IA. Mr. Christensen was born April 29, 1942, in Humboldt, IA.

## **Nomination of Peter R. Greer To Be a Deputy Under Secretary of Education**

*May 22, 1986*

The President today announced his intention to nominate Peter R. Greer to be Deputy Under Secretary for Intergovernmental and Interagency Affairs, Department of Education. He would succeed A. Wayne Roberts.

Since 1979 Dr. Greer has been superintendent for the Portland public school system in Portland, ME; and from 1974 to 1979, he was assistant superintendent. Pre-

viously, he was associate director of the national humanities faculty in Concord, MA, 1972–1974; and a teacher in Ipswich, MA, and Berlin, NH, 1965–1972.

Dr. Greer graduated from the University of New Hampshire (B.A., 1962; M.A., 1964) and Boston University (Ed.D., 1974). He is married, has two children, and resides in Yarmouth, ME. Dr. Greer was born August 14, 1940, in Portsmouth, NH.

## **Nomination of Kalo A. Hineman To Be a Commissioner of the Commodity Futures Trading Commission**

*May 22, 1986*

The President today announced his intention to nominate Kalo A. Hineman to be a Commissioner of the Commodity Futures Trading Commission for the term expiring June 19, 1991. This is a reappointment.

Since 1981 Dr. Hineman has served in this position as Commissioner, and since 1947 he has been a cattleman, rancher, wheat and milo farmer in Dighton, KS. He is co-owner of Kalo Hineman Cattle Co. and Hineman Partners, a farming company. Previously, he was a director of First National Bank of Dighton, 1955–1981; and he

was a member of the Kansas House of Representatives, 1974–1981. Dr. Hineman is a member of the Kansas Livestock Association, where he served as president in 1972; a member of the board of directors of the National Cattlemen's Association, American Farm Bureau Federation, and the National Association of Wheat Growers.

Dr. Hineman graduated from Kansas State University (D.V.M., 1943). He is married, has four children, and resides in Alexandria, VA. Dr. Hineman was born March 4, 1922, in Dighton, KS.

## Statement by Principal Deputy Press Secretary Speakes on the Central American Peace Negotiations

*May 22, 1986*

The United States has followed closely the recent negotiations among the five Central American governments to resolve the conflict in that region. We note that at the meeting in Panama on May 16-18, the Governments of Guatemala and Costa Rica, with the support of the Governments of El Salvador and Honduras, offered constructive proposals for resolving important security issues. We also note that representatives of the Government of Nicaragua stated their strong opposition to the positions presented by the four democratic countries of Central America.

The position of the United States has remained constant toward the negotiations arranged through the good offices of the Contadora group as well as other efforts to promote a negotiated solution in Central America. It is an objective of United States policy in Central America to seek the resolution of regional disputes and conflicts through dialog and the achievement through negotiations of political settlements with verifiable agreements. Philip C. Habib, the President's Special Envoy for Central America, has been working to achieve this objective through his consultations with the countries involved.

The objectives of the United States in Nicaragua remain as follows:

(1) Implementation of the democratic

commitments made by the Sandinista movement to the Organization of American States in 1979;

(2) Termination of Nicaragua's support to Marxist/Leninist subversion and guerrilla activity in any foreign country;

(3) Removal of Soviet bloc and Cuban military and security personnel and an end to Nicaraguan military cooperation with Communist countries;

(4) Reduction of the Sandinista military apparatus to a level which would restore military equilibrium in Central America.

These four objectives are equal in importance. The implementation of the 21 objectives agreed to by the five Central American countries in September 1983 would achieve these four objectives. The United States would support a treaty which would achieve all 21 points in a comprehensive settlement in which all political and security commitments are simultaneously implemented, with concrete verification procedures to ensure compliance by all five parties. The United States would not consider itself bound to support an agreement which failed to achieve in a verifiable manner all the agreed objectives of the Contadora Document of Objectives.

*Note: Larry M. Speakes read the statement to reporters at 12:30 p.m. in the Briefing Room at the White House.*

## Nomination of Creighton E. Mershon To Be a Member of the Peace Corps National Advisory Council

*May 22, 1986*

The President today announced his intention to nominate Creighton E. Mershon to be a member of the Peace Corps National Advisory Council for a term of 2 years expiring November 29, 1987. This is a new position.

Since 1981 Mr. Mershon has been general

attorney with the South Central Bell Telephone Co. in Louisville, KY. Previously, he was in private practice as an attorney, 1981; special assistant to the mayor of Louisville, 1973-1981; associate attorney with Greenbaum, Doll & McDonald, 1968-1973; and a volunteer with the United States Peace



Corps in Bolivar, Venezuela, 1965–1968.

Mr. Mershon graduated from Bellarmine College (B.A., 1963) and the University of

Louisville (J.D., 1968). He is married, has one child, and resides in Louisville, KY. He was born October 13, 1941, in Louisville.

## **Nomination of James S. Rosebush To Be a Member of the National Museum Services Board**

*May 22, 1986*

The President today announced his intention to nominate James S. Rosebush to be a member of the National Museum Services Board, National Foundation on the Arts and the Humanities, for a term expiring December 6, 1989. He would succeed Anne Carroll Badham.

Mr. Rosebush is currently president of James S. Rosebush & Co. in Washington, DC, which he founded earlier this year after leaving his position as Assistant to the President and Chief of Staff for the Office of the First Lady. He joined the White House staff in March of 1981 as Special Assistant to the President for Private Sector Initiatives, and earlier in 1981 he was in the

U.S. Office of Business Liaison at the Department of Commerce. Previously, he was corporate contributions manager with the Standard Oil Co. in Cleveland, OH, 1979–1981; vice president, National Chamber Foundation and Citizen's Choice, Inc., in Washington, DC, 1976–1979; and a management consultant for community development and public issues in Boston, MA, 1972–1976.

Mr. Rosebush graduated from Principia College (B.A., 1971) and Boston University (M.A., 1973). He is married, has two children, and resides in Washington, DC. Mr. Rosebush was born on June 1, 1949, in Flint, MI.

## **Proclamation 5490—Prayer for Peace, Memorial Day, 1986**

*May 22, 1986*

*By the President of the United States of America*

### *A Proclamation*

Memorial Day is an occasion of special importance to all Americans, because it is a day sacred to the memory of all those Americans who made the supreme sacrifice for the liberties we enjoy. We will never forget or fail to honor these heroes to whom we owe so much. We honor them best when we resolve to cherish and defend the liberties for which they gave their lives. Let us resolve to do all in our power to assure the survival and the success of liberty so that our children and their children for generations to come can live in an America in which freedom's light continues to shine.

The Congress, in establishing Memorial

Day, called for it to be a day of tribute to America's fallen, and also a day of national prayer for lasting peace. This Nation has always sought true peace. We seek it still. Our goal is peace in which the highest aspirations of our people, and people everywhere, are secure: peace with freedom, with justice, and with opportunity for human development. This is the permanent peace for which we pray, not only for ourselves but for all generations.

The defense of peace, like the defense of liberty, requires more than lip service. It requires vigilance, military strength, and the willingness to take risks and to make sacrifices. The surest guarantor of both peace and liberty is our unflinching resolve to defend that which has been purchased for us by our fallen heroes.

On Memorial Day, let us pray for peace—not only for ourselves, but for all those who seek freedom and justice.

In recognition of those brave Americans to whom we pay tribute today, the Congress, by joint resolution approved May 11, 1950 (64 Stat. 158), has requested the President to issue a proclamation calling upon the people of the United States to observe each Memorial Day as a day of prayer for permanent peace and designating a period on that day when the people of the United States might unite in prayer.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate Memorial Day, Monday, May 26, 1986, as a day of prayer for permanent peace, and I designate the hour beginning in each locality at 11:00 o'clock in the morning of that day as a time to unite in prayer. I urge the press, radio, television, and all other information media to cooperate in this observance.

I also direct all appropriate Federal officials, and request the Governors of the United States and the Commonwealth of Puerto Rico, and the appropriate officials of all units of government, to direct that the flag be flown at half-staff during this Memorial Day on all buildings, grounds, and naval vessels throughout the United States and in all areas under its jurisdiction and control, and I request the people of the United States to display the flag at half-staff from their homes for the customary forenoon period.

*In Witness Whereof*, I have hereunto set my hand this twenty-second day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 2:56 p.m., May 23, 1986]*

## Statement by Principal Deputy Press Secretary Speakes on House of Representatives Approval of the Omnibus Trade Bill

May 22, 1986

The House of Representatives this morning passed H.R. 4800, the omnibus trade bill. This legislation, if enacted, would be a major step backward for the U.S. economy. They call it an omnibus bill; it is really an ominous bill. It is trade destroying, not trade creating. The bill would harm American consumers, who would pay higher prices on thousands of products; businesses and workers, who would find foreign markets closed to them; and farmers, who would face additional financial hardships as the result of closed foreign markets. Moreover, the bill would hamper efforts we have underway to create more jobs and more opportunities for Americans through an active program of opening foreign markets, not closing our own.

H.R. 4800 is, in the worst spirit of Smoot-Hawley, pure protectionism. The House of Representatives has failed to learn the lessons of history. Within months of the enact-

ment of Smoot-Hawley, our key trading partners began raising tariffs and imposing protectionist exchange controls to the point where U.S. exports fell some 60 percent in 3 years. H.R. 4800, with its emphasis on retaliation and closed markets, will do the same. H.R. 4800 would reverse the progress we've made. By imposing mandatory quotas against countries like Japan, Taiwan, and West Germany, it would clearly violate our commitments under GATT [General Agreement on Tariffs and Trade] and invite massive retaliation against key American industries. By imposing mandatory retaliation in certain of our trade cases, the law would remove our flexibility to negotiate market-opening settlements. Its meat-ax approach to export control would jeopardize our national security. And it would establish government councils to carry out industrial planning, regardless of what the free

market would say.

H.R. 4800 is not a trade policy, but an abandonment of trade policy. This administration is pursuing an activist trade policy grounded squarely on the notion of free and fair trade. Our aim is removing foreign trade barriers and opening foreign markets. In the past year alone we have made more aggressive and creative use of our laws to enforce our trading rights than any previous administration. We have used our trade laws to address unfair foreign practices ranging from European restrictions on our agricultural exports to the dumping of Japanese semiconductors in the U.S. market. Our actions have been aimed at foreign practices which hinder competitiveness and cost us jobs across the full industrial spectrum—from our most basic industries, such as steel, to the cutting edge in services and high tech.

We will continue to take whatever ac-

tions are necessary to protect our trading rights. At the same time, we intend to carry our message—that market opening, not market closing, is the answer—to our trading partners through a new round of multilateral negotiations in the GATT aimed at increasing market opportunities for everyone. We are correcting the value of the dollar so as to improve American competitiveness. Since February 1985 the Japanese yen and the West German mark have risen about 60 percent against the dollar. These changes should show up in our trade accounts later this year. This process will continue as the result of efforts we began last September at the Plaza Hotel and continued earlier this month at the summit.

We stand by what the President said in September: We will vigorously pursue our policy of promoting free and open markets in this country *and* around the world. H.R. 4800 would do neither of these things.

## Proclamation 5491—National Birds of Prey Month, 1986 *May 22, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

The skies of our United States are host to hundreds of species of birds, but among the most awe-inspiring and magnificent are the more than fifty species known collectively as the birds of prey. These include the hawks, the owls, and our national symbol, the bald eagle.

These birds are not only some of the most graceful and impressive flyers, they play a vital role in the ecological balance by maintaining predator-prey relationships so essential to the stability of the natural world.

While nearly all Americans today recognize the beauty and value of these great birds, this recognition was long in coming. As we settled the land and developed our Nation, we were slow to heed what loss of habitat and indiscriminate shooting could do to this priceless resource. Fortunately, however, our knowledge and appreciation

of these splendid creatures has deepened, as have our efforts to protect them. We now see the bald eagle nesting populations increasing each year. Once again, the peregrine falcon is a fairly common sight for bird-watchers along our coasts and even in several of our major cities. Motorists along our interstate highways can enjoy the frequent sighting of redtailed hawks resting in trees along the rights of way. Indeed, bird-watching for birds of prey is becoming an economic plus to many local economies.

Thanks to increased public interest and effective conservation law enforcement, illegal shooting of these great birds is on the decline. More and more, our citizens grow to understand the importance of these creatures to the American landscape and to treasure the spirit of strength, freedom, and boldness they represent.

To celebrate the continuing restoration of this magnificent resource, and to remind our citizens of the abiding need for wildlife conservation, the Congress, by Senate Joint

Resolution 288, has designated the month of May 1986 as "National Birds of Prey Month" and authorized and requested the President to issue a proclamation in observance of this month.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim the month of May 1986 as National Birds of Prey Month. I encourage all Americans to observe this month by participating in appropriate events and activities sponsored by government agencies, individuals, and private associations and organizations throughout the country to promote the appreciation and conservation of

America's birds of prey.

*In Witness Whereof*, I have hereunto set my hand this twenty-second day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:57 p.m., May 23, 1986]

*Note: The proclamation was released by the Office of the Press Secretary on May 23.*

## Message to the Congress Reporting on the National Emergency With Respect to Nicaragua May 23, 1986

*To the Congress of the United States:*

I hereby report to the Congress on developments since my last report of October 31, 1985, concerning the national emergency with respect to Nicaragua that was declared in Executive Order No. 12513 of May 1, 1985. In that order, I prohibited: (1) all imports into the United States of goods and services of Nicaraguan origin; (2) all exports from the United States of goods to or destined for Nicaragua except those destined for the organized democratic resistance; (3) Nicaraguan air carriers from engaging in air transportation to or from points in the United States; and (4) vessels of Nicaraguan registry from entering United States ports.

1. The declaration of emergency was made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act, 50 U.S.C. 1701 *et seq.*, and the National Emergencies Act, 50 U.S.C. 1601 *et seq.* This report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c).

2. The Office of Foreign Assets Control of the Department of the Treasury issued the Nicaraguan Trade Control Regulations implementing the prohibitions in Executive Order No. 12513 on May 8, 1985, 50 Fed.

Reg. 19890 (May 10, 1985). There have been no changes in those regulations in the past six months.

3. Authority to license exports of goods from the United States to Nicaragua on the basis of contracts concluded prior to May 1, 1985, expired under the regulations on October 31, 1985. Since that time, fewer than 50 applications for licenses have been received with respect to Nicaragua, and the majority of these applications have been granted. Of the licenses issued in this period, most either authorize exports for humanitarian purposes, covering medical supplies, food, and animal vaccines, or authorize the filing of applications to acquire intellectual property protection under Nicaraguan law. A few additional licenses authorize exports to a foreign embassy or international organization.

4. The trade sanctions complement the diplomatic and other aspects of our policy toward Nicaragua. They exert additional pressure intended to induce the Sandinistas to undertake internal dialogue with the organized democratic resistance and to engage in serious negotiations in the Contadora Process. The trade sanctions are part of a larger policy seeking a democratic outcome in Nicaragua by peaceful means.

5. The expenses incurred by the Federal government in the period from May 1, 1985, through April 30, 1986, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Nicaraguan national emergency are estimated at \$519,725, of which approximately \$519,460 represents wage and salary costs for Federal personnel, and approximately \$265 represents out-of-pocket expenses for travel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Assistant Secretary for Enforcement, and the Office of the General Counsel), the Department of State, the Department of Justice, and the National Security Council.

6. The policies and actions of the Government of Nicaragua continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Nicaragua as long as these measures are appropriate and will continue to report periodically to the Congress on expenses and significant developments, pursuant to 50 U.S.C. 1641(c) and 1703(c).

RONALD REAGAN

The White House,  
May 23, 1986.

## Message to the Congress Reporting on the National Emergency With Respect to Iran

*May 23, 1986*

*To the Congress of the United States:*

Pursuant to Section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. Section 1703(c), I hereby report to the Congress on developments since my last report of November 13, 1985, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979.

1. The Iran-United States Claims Tribunal, established at The Hague pursuant to the Claims Settlement Agreement of January 19, 1981 (the "Algiers Accords"), continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered 29 more decisions for a total of 223 final decisions. Of that total, 167 have been awards in favor of American claimants; 110 were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 57 were adjudicated decisions. As of April 1, 1986, total payments to successful American claimants from the Security Account stood at approximately \$538 million. In cases between the governments, the Tribunal has issued two decisions in

favor of each government, dismissed one claim that had been filed by the United States, and dismissed four claims that had been filed by Iran. In addition, Iran has withdrawn fifteen of its government-to-government claims, while the United States has withdrawn three.

2. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for \$250,000 or more. More than 40 percent of the claims for over \$250,000 have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 292 such claims on the docket. In recent decisions that should prove favorable for many American claimants, the Tribunal decided that principles of international law and the Treaty of Amity, Economic Relations and Consular Rights between the United States and Iran require that Iran provide compensation for the full value of expropriated property, regardless of the legality of the act of expropriation. In two major recent awards on agreed terms, two U.S. oil companies settled their claims against Iran for a total of \$115 million. Settlement discussions continue to proceed be-

tween numerous American claimants and Iranian respondents.

3. The Tribunal continues to make progress on claims of U.S. nationals against Iran of less than \$250,000 each. While this process is slower than we would like, more than 120 claims are in active arbitration. The Department of State has submitted more than 34,000 pages of text and evidence in support of these claims. Additional pleadings are being filed weekly. The Tribunal held the first hearings on these claims in December, and the first two decisions—which may provide a basis for more rapid disposition of many other claims—have recently been filed. Iran has not to date been willing to negotiate a lump sum settlement of these claims. Since my last report, another three small claimants (including one whose claims had been scheduled for a hearing) have received awards on agreed terms, bringing the total number of such awards to fifteen.

4. The Department of State continues to coordinate the efforts of concerned governmental agencies in presenting U.S. claims against Iran as well as responses by the U.S. Government to claims brought against it by Iran. Since my last report, the Department has filed pleadings in eight government-to-government claims based on contracts for the provision of goods and services. The Tribunal recently issued a decision holding that the contractual time limitation on the filing of claims under the Foreign Military Sales program is applicable to FMS-based cases at the Tribunal, but leaving unresolved the question of the evidentiary requirements applicable in proving shipment of goods under the contracts.

In addition to work on the government-to-government claims, the Department of State, working together with the Department of the Treasury and the Department of Justice, filed five pleadings in disputes concerning the interpretation and/or performance of various provisions of the Algiers Accords. The Tribunal held two hearings on interpretive disputes. The first dealt with the standard of proof that a corporate claimant must satisfy to establish that it enjoys the requisite U.S. or Iranian nationality for bringing a claim before the Tribunal. The second hearing dealt with the disposi-

tion of the balance remaining from the \$3.667 billion transferred in January 1981 to the Federal Reserve Bank of New York, as fiscal agent for the United States, for the payment of Iran's syndicated indebtedness.

5. The "Agreed Clarification on Payment of January Interest out of Dollar Account No. 2," which I mentioned in my previous report, was signed on November 20, 1985, by the Federal Reserve Bank of New York, as fiscal agent of the United States, and by Bank Markazi Jomhouri Islami Iran (Iran's central bank), acting on behalf of the Government of Iran, its agencies, instrumentalities or controlled entities. This Agreed Clarification allows interest still owing on Iran's syndicated debt for the period January 1-18, 1981 ("January Interest"), to be paid from Dollar Account No. 2 at the Bank of England. Bank Markazi is now in the process of negotiating January Interest settlements with the relevant bank syndicates.

Since my last report, no settlements of nonsyndicated debt claims of U.S. banks against Iran have been paid from Dollar Account No. 2. Thus, among banks responding to a December 1981 *Federal Register* notice requiring the registration of all U.S. banks with claims against Dollar Account No. 2, about 16 banks have yet to settle their claims. In addition, a number of those banks that have already reached settlements with Iran have reserved claims against Dollar Account No. 2. The balance in Dollar Account No. 2 currently exceeds \$625 million, an amount clearly sufficient to satisfy both outstanding nonsyndicated debt claims and the January Interest claims now payable out of this account.

6. There have been no changes in the Iranian Assets Control Regulations since my last report.

7. My last report described a bench ruling issued by the United States Claims Court in a Sperry Corporation challenge to the two-percent administrative fee that had been deducted from Tribunal awards paid to U.S. claimants from the Security Account, pursuant to a Treasury Department directive license to the Federal Reserve Bank of New York. As I reported, Title V of the "Foreign Relations Authorization Act, Fiscal Years 1986 and 1987," Public Law 99-93 (P.L.

99-93), replaced the fee deducted pursuant to this directive license with somewhat lower statutory fees. I noted that, in light of this legislation, it was unlikely that the Claims Court would issue a judgment based on its bench ruling, but that Sperry Corporation, in a continuation of its litigation, was challenging the constitutionality of P.L. 99-93.

Since my last report, the Claims Court has rejected Sperry's challenge to P.L. 99-93, although no judgment has yet been issued. Because P.L. 99-93 was made effective as of the date the Treasury Department directive license was issued, June 7, 1982, the Claims Court indicated that it would dismiss as moot Sperry's challenge to the two-percent fee deducted pursuant to the directive license. I also reported that the Treasury Department was in the process of refunding to all affected claimants the difference between the prior two-percent fee and the one-and-one-half-percent fee (one percent on amounts above \$5 million)

authorized by P.L. 99-93. This process was completed in December 1985. The refunds totalled approximately \$2.6 million.

8. The claims settlement process created by the Algiers Accords continues to affect important diplomatic, financial, and legal interests of the United States and its nationals, and relations with Iran present an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in regulating our relationship with Iran and in enabling the United States properly to implement the Algiers Accords. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

RONALD REAGAN

The White House,  
May 23, 1986.

## Nomination of G. Norman Anderson To Be United States Ambassador to Sudan

*May 23, 1986*

The President announced today his intention to nominate G. Norman Anderson, of Florida, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador to the Republic of Sudan. He succeeds Hume Alexander Horan.

Mr. Anderson entered the Foreign Service in 1960 and served as a personnel officer until 1962. He then took Arabic language training at the Foreign Service Institute in Beirut, Lebanon, 1962-1963, before being assigned as political officer in Beirut, 1963-1966. From 1966 to 1967, he took Russian language training at the U.S. Army Institute for Advanced Russian Studies in Garmisch, Germany. Following that he was assigned as assistant administrative officer in Moscow from 1967 to 1968, and then political officer, 1968-1969. Mr. Anderson returned to the Department in 1969 to become the Soviet desk officer. In 1971 he was assigned as Egyptian desk officer in the

Department until he departed in 1974 for Rabat, Morocco, as political counselor. He served there until 1978, when he was named special assistant to the senior adviser to the President and Secretary of State on Middle East and Soviet Affairs. From 1979 to 1982, he served as deputy chief of mission in Sofia, Bulgaria, and from 1982 to the present, he has been deputy chief of mission in Tunis, Tunisia.

Mr. Anderson served in the United States Navy as a lieutenant from 1954 to 1958. He graduated from Columbia College (B.A., 1954) and School of International Studies (M.I.A., 1960). Mr. Anderson's foreign languages are Arabic, French, Russian, Spanish, Ukrainian, Bulgarian, and Swedish. He is married to the former Mary (Bonnie) Churchill, has three children, and resides in Tunis, Tunisia. He was born March 26, 1932, in Lewes, DE.

## **Nomination of Frank G. Wisner To Be United States Ambassador to Egypt**

*May 23, 1986*

The President today announced his intention to nominate Frank G. Wisner, of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, as Ambassador to the Arab Republic of Egypt. He succeeds Nicholas A. Veliotes.

Mr. Wisner entered the Foreign Service in 1962 and was assigned as a vice consul at the American Consulate General in Tangier, Morocco. He served as third secretary at the U.S. Embassy in Algiers, Algeria. In 1964 Mr. Wisner became a rural development officer at the U.S. Embassy in Saigon, Vietnam, for the Agency for International Development. He served in Vietnam until 1969, when he returned to the Department as officer in charge of Tunisian affairs. From 1971 to 1973, he was first secretary at the U.S. Embassy in Tunis, Tunisia, and following that, from 1973 to 1974, he was first secretary at the U.S. Embassy in Dacca,

Bangladesh. From 1974 to 1975, he was Director of the Office of Plans and Management in the Bureau of Public Affairs and in late 1975 became Deputy Director of the President's Indo-China Task Force in the Department. From 1975 to 1976, Mr. Wisner was a special assistant to the Under Secretary of State, and then assigned as Director of the Office of Southern African Affairs. He became Deputy Executive Secretary of the Department from 1977 to 1979, and in 1979 he was appointed as the U.S. Ambassador to the Republic of Zambia. Since 1982 Mr. Wisner has been Deputy Assistant Secretary of State for African Affairs.

Mr. Wisner graduated from Princeton University (B.A., 1961). His foreign languages are French, Arabic, and Vietnamese. He is married, has four children, and resides in Washington, DC. He was born July 2, 1938, in New York, NY.

## **Nomination of Jonathan Moore To Be United States Coordinator for Refugee Affairs and Ambassador at Large**

*May 23, 1986*

The President today announced his intention to nominate Jonathan Moore to be United States Coordinator for Refugee Affairs and Ambassador at Large. He would succeed Howard Eugene Douglas.

Mr. Moore became director of the Institute of Politics of the John F. Kennedy School of Government at Harvard University in 1974 after having resigned his post as Associate Attorney General in the U.S. Department of Justice. Immediately prior to that, he served as special assistant to the Secretary of Defense, Counselor to the Department of Health, Education and Welfare,

and Deputy Assistant Secretary of State for East Asian and Pacific Affairs. He was a legislative assistant to Senator Leverett Saltonstall, and he worked in various State and national election campaigns in 1967-1968. Earlier, he worked in the Departments of Defense and State and the U.S. Information Agency in the Kennedy, Johnson, and Eisenhower administrations, respectively. Mr. Moore presently serves on the board of directors of IU International, chairs the WCVB-TV editorial board and the visiting board of the Rockefeller Center for the Social Sciences at Dartmouth College, and



is a member of the Council on Foreign Relations.

Mr. Moore was born September 10, 1932, in New York City. He received his A.B. in

1954 from Dartmouth College and M.P.A. in 1957 from Harvard University. He is married, has four children, and resides in Weston, MA.

## **Proclamation 5492—National Food Bank Week, 1986** *May 23, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

In communities all across the United States, food banks have been established to help provide wholesome food for people in need.

These unique institutions are in the best tradition of American voluntarism. They have brought together public agencies, private industry, church groups, various associations, and individual Americans in a concerted drive to meet a basic human need. America's food banks provide immediate, temporary assistance at a neighborhood level to individuals and families who often do not know anywhere else to turn.

Private donors of food have greatly assisted in the maintenance and expansion of these worthwhile programs. Schools and neighborhood groups have contributed thousands of hours of manpower by helping collect and distribute the vast quantity of foodstuffs that food banks handle each year. The food banks themselves are staffed by dedicated citizens who seek nothing for themselves but the satisfaction of knowing that they have served as an invaluable resource to their fellowman. Without the humanitarian and charitable concern of all

those involved in this mission, the sense of community and brotherly love that is indispensable to the quality of life in our cities and towns would be undermined.

In recognition of the many contributions of food banks and the selfless Americans who help organize and operate them, the Congress, by House Joint Resolution 234, has designated the week beginning May 18 through May 24, 1986, as "National Food Bank Week" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning May 18 through May 24, 1986, as National Food Bank Week. I call upon all Americans to join in recognizing the accomplishments of these food banks.*

*In Witness Whereof, I have hereunto set my hand this 23rd day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:29 p.m., May 23, 1986]*

## Proclamation 5493—Hands Across America Day, 1986 May 23, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Time and again in American history the people of this great Nation have joined together in demonstrations of concern for the plight of their fellowman. Throughout the world, the people of the United States are known for their tradition of generosity and voluntary service to others. The strength of this tradition, which has been revitalized in the 1980s, lies in a key insight: The well-being of each and every individual in our society is a matter not only of public interest, but of personal responsibility as well. No form of charitable endeavor can truly succeed if it is not grounded in the recognition that the benefits it confers are as important to the giver as they are to the recipient.

On May 25, 1986, millions of Americans will participate in "Hands Across America," a visible symbol of the determination that unites Americans in the fight against hunger and homelessness. By joining together in this way, in cities and towns, along the back roads and mountain highways, from sea to shining sea, the people of this blessed land are reaffirming their willingness to sacrifice so that adequate food and shelter are available to all. This occasion represents an opportunity for all Amer-

icans to reflect on the root causes of these persistent problems, and to rededicate ourselves to finding lasting solutions that will allow everyone to live, eat, and work in circumstances befitting their dignity as human beings.

On this day, then, let us join not only our hands but our hearts and our prayers in efforts to ensure that America's God-given abundance is shared with those in need.

The Congress, by Senate Joint Resolution 246, has designated May 25, 1986, as "Hands Across America Day" and has authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 25, 1986, as Hands Across America Day. I call upon the people of the United States to observe this day with appropriate ceremonies and activities.*

*In Witness Whereof, I have hereunto set my hand this 23rd day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:30 p.m., May 23, 1986]*

## Appointment of John A. Rocco as a Member of the National Commission for Employment Policy May 23, 1986

The President today announced his intention to appoint John A. Rocco to be a member of the National Commission for Employment Policy for a term expiring March 20, 1989. This is a reappointment.

Since 1970 Dr. Rocco has been an associate professor of education, supervisor of student teachers, and on the faculty of the

Graduate School of Education, 1972–1974, at Rider College in New Jersey. Previously, he was a member of the adjunct faculty at the Graduate School of Education with Rutgers University, 1973–1976; director of continuing education and an associate professor at Camden County College, 1968–1979; and principal of the Woodcrest School in Cherry

Hill, NJ, 1964–1968.

Dr. Rocco graduated from West Chester State College (B.S., 1959), Villanova University (M.A., 1961), and Rutgers University

(Ed.D., 1974). He is married, has two children, and resides in Cherry Hill, NJ. Dr. Rocco was born June 25, 1936, in Philadelphia, PA.

## **Appointment of the Membership of Presidential Emergency Board No. 209 To Investigate a Railroad Labor Dispute**

*May 23, 1986*

The President today has appointed the following individuals to be members of Presidential Emergency Board No. 209, created by Executive Order 12557 of May 16, 1986:

*Robert O. Harris*, of the District of Columbia, to serve as Chairman. He is an independent arbitrator consultant. Previously, he was a member of the National Mediation Board, 1977–1984, and served as Chairman, 1979–1980, 1982–1983. He graduated from Columbia College (A.B., 1951), Yale Law School (J.D., 1954), and Georgetown Law School (LL.M., 1961). Mr. Harris was born November 11, 1929, in New York City, and now resides in Washington, DC.

*Richard R. Kasher*, of Pennsylvania. He is an at-

torney and arbitrator in Bryn Mawr. Previously, he was director of labor relations for the Consolidated Rail Corp. in Philadelphia. Mr. Kasher graduated from Queens College (B.A., 1961), Boston University (J.D., 1964), and New York University Graduate School of Law (LL.M., 1965). He was born May 30, 1939, in New York City and now resides in Bryn Mawr, PA.

*Robert E. Peterson*, of New York. He is an independent arbitrator in Briarcliff Manor. Previously, he was chief personnel officer for the Long Island Rail Road. Mr. Peterson graduated from Westchester Community College (A.A.S., 1961) and New York University (B.S., 1963). He was born December 5, 1929, in Bronxville, NY, and now resides in Briarcliff Manor, NY.

## **Appointment of 14 Delegates to the National White House Conference on Small Business**

*May 23, 1986*

The President today announced his intention to appoint the following individuals to be delegates to the National White House Conference on Small Business. These are new positions.

*Jim Anderson*, of Wyoming. Mr. Anderson is store manager of Wyoming Machinery Co. He graduated from Casper College (A.B., 1972). Mr. Anderson is married, has two children, resides in Gillette, WY, and he was born July 24, 1948, in Sheridan, WY.

*Camille Haney*, of Wisconsin. She is president of the Haney Co. in Milwaukee, a national consulting organization that specializes in consumer-related public policy issues. Ms. Haney graduated from the University of Wisconsin at Madison (B.S., 1968). She resides in Milwaukee, WI, and she was born July 8, 1946, in Marshfield, WI.

*Ivan Mothershead III*, of North Carolina. He is president of UMI Publications in Charlotte, and he is currently a member of the North Carolina House of Representatives. Mr. Mothershead graduated from North Carolina State University (B.A., 1970; M.A., 1972). He is married, has one child, and resides in Charlotte, NC. He was born June 24, 1948, in Norfolk, VA.

*Nestor J. Navarro, Jr.*, of Louisiana. He is president of LaCo Investments, Inc., in Baton Rouge, and since 1983 he has been a member of the board of directors of the Small Business Equity Corporation of Louisiana. Mr. Navarro graduated from Louisiana State University (B.S., 1971). He is married, has two children, resides in Baton Rouge, and was born August 19, 1947, in Victoria de Las Tunas, Oriente, Cuba.

*Edward R. Norford*, of Pennsylvania. He is president of Miller & Norford Contractors, Inc., in Lemoyne, and he is currently a member of both the West Shore and Harrisburg Area Chambers of Commerce. Mr. Norford graduated from Penn State University (B.S., 1946). He is married, has one child, resides in Camp Hill, PA, and he was born October 18, 1928.

*Eugene Piacentini*, of Massachusetts. He is executive vice president, treasurer, and CEO of Creative Gourmets, Ltd., in Boston. Mr. Piacentini graduated from New York University (B.S.) and the Culinary Institute of America. He is married, has three children, resides in West Medford, MA, and was born October 13, 1946, in Cambridge, MA.

*Lester H. Poggemeyer*, of Ohio. He is chairman of the board of Poggemeyer Design, and vice president of the Chamber of Commerce in Bowling Green. Mr. Poggemeyer graduated from the University of Toledo (B.S., 1962). He is married, has two children, resides in Luckey, OH, and was born December 24, 1940, in Toledo, OH.

*Warren A. Price*, of Delaware. He is president of Price Organization, Price Honda, Diamond Motor Sports, Inc., and Price Buick Pontiac in Dover. Mr. Price attended the University of Delaware. He is married, has three children, resides in Dover, and was born April 16, 1942, in Wilmington, NC.

*Susan B. Sarvis*, of New Hampshire. She is president and owner of LTS, Inc., a manufacturing company in Manchester. From 1983 to 1985, she served on the President's Advisory Committee on Women's Business Ownership. Ms.

Sarvis graduated from Ohio State University (B.S., 1968). She has two children, resides in Manchester, NH, and was born August 5, 1945, in Cleveland, OH.

*Susan F. Shultz*, of Arizona. She is president of Susan Shultz & Associates, an executive search consulting firm that she founded in 1980 in Paradise Valley. She is a member of the Arizona District Export Council and the Phoenix Committee on Foreign Relations. Ms. Shultz resides in Paradise Valley, and she was born March 25, 1943, in New York, NY.

*Robert Gordon Wagner*, of Ohio. Mr. Wagner is president and founder of the Glass Co. in Columbus. He attended Michigan State University. Mr. Wagner is married, has three children, and resides in Columbus, OH. He was born April 7, 1941, in Rochester, NY.

*Wesley L. Walker*, of New Mexico. Mr. Walker is owner of Walker Motor Co. in Alamogordo and director of the executive loan committee of Western Bank in Las Cruces. He graduated from New Mexico A&M (B.A., 1950). Mr. Walker is married, has four children, resides in Alamogordo, and was born September 13, 1926, in Deming, NM.

*Gregory K. Washington*, of Maryland. Mr. Washington is president of Gregory K. Washington, CPA's. He graduated from Florida State University (B.S., 1984). Mr. Washington is married, resides in Forestville, and was born May 5, 1952, in Sanford, FL.

*Milton Zwickel*, of New York. Mr. Zwickel is president of Milroy Cars, Inc., and Milroy Cars Rental Systems, Inc., in Catskill. He is married, has two children, resides in Catskill, and was born April 23, 1920, in Brooklyn, NY.

## Memorandum on Import Relief for the Wood Shakes and Shingles Industry

May 23, 1986

### *Memorandum for the United States Trade Representative*

**Subject:** Western Red Cedar Shakes and Shingles Import Relief Determination

Pursuant to Section 202(b)(1) of the Trade Act of 1974 (19 U.S.C. 2251(b)(1)), I have determined the action I will take with respect to the report of the United States International Trade Commission (ITC), transmitted to me on March 25, 1986, con-

cerning the results of its investigation of a petition for import relief filed by the Northwest Independent Forest Manufacturers on behalf of the domestic industry producing wood shakes and shingles, provided for in item 200.85 of the Tariff Schedules of the United States.

After considering all relevant aspects of the case, including those set forth in Section 202(c) of the Trade Act of 1974, I have

determined that provision of import relief in the form of a tariff for up to 5 years is in the national economic interest. The tariff will apply to all U.S. imports of western red cedar shakes and shingles. The additional duty will be 35 percent ad valorem for the first 30 months of the period, 20 percent ad valorem for months 30 through 54, and 8 percent ad valorem for months 54 through 60. This 5-year relief program should be sufficient to enable the domestic producers of red cedar shakes and shingles to adjust to competition during the relief period.

In conjunction with providing import relief, I hereby direct you to request that the ITC advise me of the probable economic effect on the domestic industry of the termination of import relief after 30 months. This advice is to include a review of the progress and specific efforts being made by the domestic producers of western red cedar shakes and shingles to adjust to import competition. I also direct you to re-

quest, on my behalf, advice regarding termination of relief from the Secretaries of Commerce and Labor. The ITC, Commerce, and Labor advice is to be provided to me, through you, 3 months prior to the expiration of the 30-month period. It is my intention to continue relief for the entire 5-year period if general market conditions continue to warrant relief and if the domestic producers have begun to make reasonable progress toward adjustment during the first 30-month period.

As required by Section 203(e)(1) of the Trade Act of 1974, this tariff will be implemented by Presidential Proclamation no later than June 7, 1986, which is the 15th day after the date of this determination.

This determination shall be published in the *Federal Register*.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 9:08 a.m., May 27, 1986]*

## Message to the Congress on Import Relief for the Wood Shakes and Shingles Industry *May 23, 1986*

*To the Congress of the United States:*

In accordance with Section 203(b)(1) of the Trade Act of 1974 (19 U.S.C. 2253(b)(1)), I am writing to inform you of my decision today to grant import relief to the western red cedar shakes and shingles industry. At the request of the Northwest Independent Forest Manufacturers and other private petitioners, the United States International Trade Commission (ITC) instituted an investigation to determine whether increasing imports of wood shakes and shingles were injuring the domestic wood shakes and shingles industry. The ITC found that imports are a substantial cause of serious injury or threat thereof to the domestic red cedar shakes and shingles industry. Red cedar shakes and shingles imports have increased dramatically in recent years, causing a substantial drop in domestic production, profits, and employment.

I have decided to modify the ITC remedy

by providing for a declining tariff over the period of relief, rather than a constant 35 percent duty as recommended by the ITC. The relief program I am implementing calls for a duty of 35 percent ad valorem for the first 30 months of the period, a 20 percent ad valorem duty for months 30 through 54, and an 8 percent duty for months 54 through 60. This 5-year graduated relief program will facilitate the industry's transition back to free market competition and will help reduce consumer costs in the latter months of the relief period. Petitioners have indicated that the industry would support the concept of graduated relief.

In conjunction with providing import relief, I have directed the United States Trade Representative to request that the ITC advise me of the probable economic effect on the domestic industry of the termination of import relief after 30 months.

This advice is to include a review of the progress and specific efforts being made by the domestic producers of western red cedar shakes and shingles to adjust to import competition. The Trade Representative is also directed to request, on my behalf, advice regarding termination of relief from the Secretaries of Commerce and Labor.

The ITC, Commerce, and Labor advice is to be provided to me, through the Trade Representative, 3 months prior to the expi-

ration of the first 30-month relief period. It is my intention to continue relief for the entire 5-year period if it appears at the end of 30 months that market conditions warrant a continuation of relief and that domestic producers have begun to make reasonable progress toward adjustment.

RONALD REAGAN

The White House,  
May 23, 1986.

## Radio Address to the Nation on Voluntarism May 24, 1986

*My fellow Americans:*

As we begin this Memorial Day weekend, I'd like to take a moment to consider one of the wellsprings of our greatness as a nation: our willingness to serve each other. When the Frenchman Alexis de Tocqueville traveled across our country more than a century and a half ago, he was struck by the volunteer spirit that he encountered. "The Americans," he wrote, "make associations to found seminaries, to build inns, to construct churches, to diffuse books, to send missionaries to the ends of the Earth." In large part because of this concern for their fellow men that he saw in the American people, de Tocqueville concluded that America is great, because she is good. Today our nation remains great and good, and the spirit of private sector initiative has become a major part of American life.

Indeed, just yesterday it was my honor to sign a proclamation requested by Congress that proclaims tomorrow, May 25th, Hands Across America Day. And my family and I plan to join in the line as it passes through the White House grounds. Hands Across America represents a nationwide effort to help the poor and homeless who live in our country. Tomorrow millions will join in that ancient gesture of good will and friendship, the linking of hands, in a demonstration of concern for the less fortunate. To all those participating: Good luck. I can wish you nothing finer than the satisfaction of knowing that you've given of yourselves to help

others.

In the past few years we've witnessed an unprecedented outpouring of charity and good will—a reassertion of good, old-fashioned neighborliness now that our country has regained its self-confidence. The figures tell the story. Last year alone, individuals, corporations, bequests, and foundations gave nearly \$80 billion to good causes. That amount marked an all-time high and came to over \$6.5 billion more than the amount donated in 1984. And according to a recent study, some 89 million Americans perform volunteer work every year. I think we're entitled to feel pretty good about that. In a way, though, the individual stories are even more impressive than the figures. This past Thursday, Nancy hosted the first international Just Say No walk here at the White House. Just Say No is an organization teaching children around the world to say no to drugs. Indeed, this week was Just Say No to Drugs Week, and the White House rally involved 2,300 youngsters from Just Say No clubs throughout our nation's Capital. As you might expect, these clubs require school officials, teachers, and especially parents to give a great deal of time. Nancy told me everyone she spoke to at the White House rally was absolutely convinced that it's truly vital.

Then there's an organization called HOPE—for Help Other People Everywhere. Founded in Northfield, Minnesota,

by Verona Devney, a legal secretary who decided to help the needy by sewing and donating clothes, today HOPE distributes clothes to some 5,000 families a year. In San Antonio, Texas, Nick Monreal founded Teach the Children, and this organization has raised tens of thousands of dollars to provide school supplies to thousands of children from economically disadvantaged families. And in Philadelphia, a group called Wheels has been providing transportation for the sick and handicapped to and from hospitals and doctors' offices since 1959. There is no charge and no reliance on government funds.

One private sector initiative I find most moving is called Christmas in April. Founded by Bobby Trimble of Midland, Texas, Christmas in April organizes volunteers across the country to repair the homes of needy older and handicapped Americans. Right here in Washington, Christmas in April helped a woman named DeLois Ruffing. DeLois ran a home for the elderly that badly needed repairs. The ceiling was virtu-

ally falling down around her. With her permission, early one April day more than a dozen volunteers—attorneys, journalists, housewives, even a judge—arrived to do what was needed. Ten hours later, the plumbing and ceiling had been fixed, and the walls were gleaming. And today DeLois is a Christmas in April volunteer herself.

As these and so many other organizations prove, the generosity and character of the American people that de Tocqueville observed more than 150 years ago remain a powerful and life-giving force. So, let us reflect this Memorial Day weekend upon the unselfish millions who are improving the quality of life for all Americans in so many wonderful ways. And as always, let us remember those who gave the greatest gift of all, the gift of their lives, so that we today might live in a nation of freedom.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.*

## Remarks at a Memorial Day Ceremony at Arlington National Cemetery in Virginia *May 26, 1986*

Today is the day we put aside to remember fallen heroes and to pray that no heroes will ever have to die for us again. It's a day of thanks for the valor of others, a day to remember the splendor of America and those of her children who rest in this cemetery and others. It's a day to be with the family and remember.

I was thinking this morning that across the country children and their parents will be going to the town parade and the young ones will sit on the sidewalks and wave their flags as the band goes by. Later, maybe, they'll have a cookout or a day at the beach. And that's good, because today is a day to be with the family and to remember.

Arlington, this place of so many memories, is a fitting place for some remembering. So many wonderful men and women

rest here, men and women who led colorful, vivid, and passionate lives. There are the greats of the military: Bull Halsey and the Admirals Leahy, father and son; Black Jack Pershing; and the GI's general, Omar Bradley. Great men all, military men. But there are others here known for other things.

Here in Arlington rests a sharecropper's son who became a hero to a lonely people. Joe Louis came from nowhere, but he knew how to fight. And he galvanized a nation in the days after Pearl Harbor when he put on the uniform of his country and said, "I know we'll win because we're on God's side." Audie Murphy is here, Audie Murphy of the wild, wild courage. For what else would you call it when a man bounds to the top of a disabled tank, stops an enemy advance, saves lives, and rallies his men, and

all of it singlehandedly. When he radioed for artillery support and was asked how close the enemy was to his position, he said, "Wait a minute and I'll let you speak to them." [Laughter]

Michael Smith is here, and Dick Scobee, both of the space shuttle *Challenger*. Their courage wasn't wild, but thoughtful, the mature and measured courage of career professionals who took prudent risks for great reward—in their case, to advance the sum total of knowledge in the world. They're only the latest to rest here; they join other great explorers with names like Grissom and Chaffee.

Oliver Wendell Holmes is here, the great jurist and fighter for the right. A poet searching for an image of true majesty could not rest until he seized on "Holmes dissenting in a sordid age." Young Holmes served in the Civil War. He might have been thinking of the crosses and stars of Arlington when he wrote: "At the grave of a hero we end, not with sorrow at the inevitable loss, but with the contagion of his courage; and with a kind of desperate joy we go back to the fight."

All of these men were different, but they shared this in common: They loved America very much. There was nothing they wouldn't do for her. And they loved with the sureness of the young. It's hard not to think of the young in a place like this, for it's the young who do the fighting and dying when a peace fails and a war begins. Not far from here is the statue of the three servicemen—the three fighting boys of Vietnam. It, too, has majesty and more. Perhaps you've seen it—three rough boys walking together, looking ahead with a steady gaze. There's something wounded about them, a kind of resigned toughness. But there's an unexpected tenderness, too. At first you don't really notice, but then you see it. The three are touching each other, as if they're supporting each other, helping each other on.

I know that many veterans of Vietnam will gather today, some of them perhaps by the wall. And they're still helping each other on. They were quite a group, the boys

of Vietnam—boys who fought a terrible and vicious war without enough support from home, boys who were dodging bullets while we debated the efficacy of the battle. It was often our poor who fought in that war; it was the unpampered boys of the working class who picked up the rifles and went on the march. They learned not to rely on us; they learned to rely on each other. And they were special in another way: They chose to be faithful. They chose to reject the fashionable skepticism of their time. They chose to believe and answer the call of duty. They had the wild, wild courage of youth. They seized certainty from the heart of an ambivalent age; they stood for something.

And we owe them something, those boys. We owe them first a promise: That just as they did not forget their missing comrades, neither, ever, will we. And there are other promises. We must always remember that peace is a fragile thing that needs constant vigilance. We owe them a promise to look at the world with a steady gaze and, perhaps, a resigned toughness, knowing that we have adversaries in the world and challenges and the only way to meet them and maintain the peace is by staying strong.

That, of course, is the lesson of this century, a lesson learned in the Sudetenland, in Poland, in Hungary, in Czechoslovakia, in Cambodia. If we really care about peace, we must stay strong. If we really care about peace, we must, through our strength, demonstrate our unwillingness to accept an ending of the peace. We must be strong enough to create peace where it does not exist and strong enough to protect it where it does. That's the lesson of this century and, I think, of this day. And that's all I wanted to say. The rest of my contribution is to leave this great place to its peace, a peace it has earned.

Thank all of you, and God bless you, and have a day full of memories.

*Note: The President spoke at 10:10 a.m. at the Memorial Amphitheater. Prior to his remarks, he placed a wreath at the Tomb of the Unknown Soldier.*



## **Executive Order 12560—Administration of Foreign Relations and Related Functions**

**May 24, 1986**

By the authority vested in me as President by the Constitution and the statutes of the United States of America, including section 621 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2381), and section 301 of title 3 of the United States Code, and in order to delegate certain functions concerning foreign assistance to the Secretary of State, the Secretary of Defense, and the Director of the International Development Cooperation Agency, it is hereby ordered as follows:

*Section 1.* Section 1-102(a) of Executive Order No. 12163, as amended, is further amended by deleting paragraph “(6)” and adding the following new paragraphs at the end thereof:

“(6) section 903(b) of the International Security and Development Cooperation Act of 1985 (hereinafter referred to as “ISDCA of 1985”);

“(7) section 709 of the ISDCA of 1985, which authority shall be exercised in consultation with the Secretary of State and the Secretary of Defense;

“(8) sections 1205(b) and 1210 of the ISDCA of 1985;”

“(9) section 541 of the Foreign Assistance and Related Programs Appropriations Act, 1986 (as enacted in Public Law 99-190), to be exercised by the Administrator of the Agency for International Development within IDCA;” and

“(10) the first proviso under the heading “Population, Development Assistance” contained in Title II of the Foreign Assistance and Related Programs Appropriations Act, 1986 (as enacted in Public Law 99-190), to be exercised by the Administrator of the Agency for International Development within IDCA.”

*Sec. 2.* Section 1-201(a) of Executive Order No. 12163, as amended, is further amended by deleting paragraphs “(7)”, “(22)”, “(23)”, “(25)”, “(26)”, and “(27)”, renumbering the remaining paragraphs accordingly, and inserting the following new paragraphs at the end thereof:

“(23) sections 462, 464(d)(2), 620E(e), and 660(d) of the Act;

“(24) section 129(b) of the ISDCA of 1985, which shall be exercised in consultation with the Secretary of Defense and the Director of the Arms Control and Disarmament Agency;

“(25) sections 207, 552(b), 611, 612(a), 617(c), 702(c), 703(a), 705(b) and (c), 706, 722(j), 813(b) and 1008 of the ISDCA of 1985;”.

*Sec. 3.* Section 1-201(a) of Executive Order No. 12163, as amended, is further amended by deleting “481, and 502B,” from paragraph (1) and inserting “section 305” in lieu thereof, and inserting the following new paragraphs at the end thereof:

“(26) chapter 8 of part I of the Act, except for section 481(h), which is reserved to the President;”

“(27) section 502B of the Act;” and

“(28) sections 527, 528, 537, 543 and 547 of the Foreign Assistance and Related Programs Appropriations Act, 1986 (as enacted in Public Law 99-190).”

*Sec. 4.* Section 1-201(a)(3) of Executive Order No. 12163, as amended, is further amended to read as follows:

“(3) section 505(a) relating to other provisions which may be required by the President, and sections 505(d), (e), (f) and (g) of the Act.”

*Sec. 5.* Section 1-201(a)(22) of Executive Order No. 12163, as redesignated by this Order, is further amended by inserting immediately after “(Public Law 98-525)” the phrase “as amended by section 306 of the Department of Defense Authorization Act, 1986 (Public Law 99-145).”

*Sec. 6.* Section 1-201(a)(15) of Executive Order No. 12163, as amended, as redesignated by this Order, is further amended by deleting “(other than chapter 4 thereof).”

*Sec. 7.* Section 1-301 of Executive Order No. 12163, as amended, is further amended by adding the following paragraph at the end thereof:

“(e) Those functions conferred upon the

President under section 616 of the ISDCA of 1985.”.

*Sec. 8.* Section 1-301(c) of Executive Order No. 12163, as amended, is further amended to read as follows:

(c) “Those functions under section 634A of the Act, to the extent they relate to notifications to the Congress concerning changes in programs under part II of the Act (except chapters 4, 6, and 8 thereof) and under the Arms Export Control Act, as amended, subject to prior consultation with the Secretary of State.”.

*Sec. 9.* Section 1-701(d) of Executive Order No. 12163, as amended, is further amended by inserting “465(b)” immediately after “303,” and by inserting “552(c), 552(e),” immediately after “506(a),”.

*Sec. 10.* Section 1-701(g) of Executive Order No. 12163, as amended, is amended to read as follows:

“(g) Those under sections 130, 131, 504 and 505 of the ISDCA of 1985 and under section 529 of the Foreign Assistance and Related Programs Appropriations Act, 1986.”.

*Sec. 11.* Section 1(d) of Executive Order No. 11958, as amended, is further amended to read as follows:

“(d) Those under Sections 22(a), 29, 30

and 30A of the Act to the Secretary of Defense.”.

*Sec. 12.* Section 1(e) of Executive Order No. 11958, as amended, is further amended to read as follows:

“(e) Those under Section 23 of the Act to the Secretary of Defense, to be exercised in consultation with the Secretary of State and the Secretary of the Treasury, except that the President shall determine any rate of interest to be charged which is less than the market rate of interest.”.

*Sec. 13.* Section 1(f) of Executive Order No. 11958, as amended, is further amended to read as follows:

“(f) Those under Sections 24, 27, and 28 of the Act to the Secretary of Defense. The Secretary of Defense, in implementing the functions delegated to him under Sections 24 and 27, shall consult with the Secretary of State and the Secretary of the Treasury.”.

RONALD REAGAN

The White House,  
May 24, 1986.

[*Filed with the Office of the Federal Register, 11:38 a.m., May 27, 1986*]

*Note: The Executive order was released by the Office of the Press Secretary on May 27.*

## Statement by Principal Deputy Press Secretary Speakes on the United Nations Special Session on Africa May 27, 1986

The President today announced the support of the people of the United States for the success of the historic Special Session on Africa which opens today at the United Nations in New York. Secretary of State George Shultz will head the U.S. delegation. A year ago Americans were deeply moved by the famine and human suffering across the continent of Africa. We demonstrated the strength of our free enterprise system in meeting Africa's emergency needs through the great productivity of our farmers. Americans and other donors, in both the public and private sectors, can be proud of our role in saving African lives and in-

spiring hope for a better future.

It is fitting that Africans and the international community meet now to debate Africa's economic crisis, so that we can avoid future famines. Much has happened since last year. Africans have demonstrated that they can dramatically increase food production, and today large surpluses in coarse grains exist in numerous African countries. Yet hunger persists in areas where economic incentives and marketing networks are weak, where rains were again inadequate, and where civil strife prevails.

Overcoming hunger and poverty in

Africa requires addressing the broader issues of economic growth and social justice. Just as Africans can produce food, they have the capacity to establish economic systems which meet the needs of all their people. The twin pillars of political and economic freedoms cannot be separated; together they foster social, economic, and political responsibilities which sustain individual growth and promote national development as well as democracy.

Many African countries have adopted economic policies which emphasize a market orientation and which will release the energies of their indigenous private sectors. These free market policies can promote broad-based, equitable development based on social justice, self-reliance, and the proven skills of the African people. When individuals are encouraged to be creative and productive, they contribute to a strong

economic base which constitutes the foundation of economic growth, social justice, political stability, and true independence.

This special session is an historic occasion, when the world has come together to confirm a stronger partnership with Africa, based on shared ideals, a renewed sense of purpose and commitment, and hope for the future. Working as true partners, the African people and the international community, through both its public and private sectors, can lay the basis for a prosperous Africa in which the African people contribute fully to their own as well as their national well-being. It is the prayer of the American people that peace will come with prosperity, so that the great continent of Africa can realize its vast potential.

*Note: Larry M. Speakes read the statement to reporters at 9:19 a.m. in the Briefing Room at the White House.*

## **Statement by Principal Deputy Press Secretary Speakes on the Central American Summit Meeting May 27, 1986**

The summit meeting of the Central American Presidents indicates that Nicaragua and the four Central American democracies are still far apart on a number of issues. The five Presidents decided that their joint declaration would not refer to the date of June 6, because there was a general sense that the date for signature of a treaty is unrealistic. I point out the fact that the President of Costa Rica made strong statements critical of Nicaragua. And we understand he rejected the inclusion in the joint declaration of the reference to the attending heads of states as freely elected,

because Daniel Ortega does not fit that description.

The Nicaraguans also posed objections to reducing their military forces. The Nicaraguans continue to block progress toward achieving a treaty by demanding that the verification provisions and other military provisions of the treaty be negotiated only after the signing. This, of course, is not acceptable to the Central American countries.

*Note: Larry M. Speakes read the statement to reporters at approximately 9:22 a.m. in the Briefing Room at the White House.*

## Remarks Following Discussions With President José Simeon Azcona Hoyo of Honduras

May 27, 1986

*President Reagan.* It's been my honor to welcome to Washington and to confer with President Azcona of Honduras. And we've had extremely useful discussions today. We both expressed our appreciation for the positive and solid relationship that our two countries enjoy. We reviewed recent developments in Central America, including the summit meeting this past weekend.

President Azcona and I are in full agreement on the necessity of working for greater economic growth in Central America and the importance of democratic institutions to the cause of peace in the region. I reaffirmed the commitment of the United States to cooperate closely with Honduras, both in helping to build its economy and in bolstering its democracy. I expressed to President Azcona my personal thanks and that of the American people for his government's responsible stand on regional issues.

Our two governments share a serious concern over the threat to peace, stability, and freedom posed by the Communist regime in Nicaragua. The Nicaraguan Communists, with extensive Soviet and Cuban support, persist in repressing their own population and in backing the subversion of their democratic neighbors. This endangers all of Latin America and ultimately the United States as well. In this regard, I underscored to the President our promise to stand by Honduras in defense of its national sovereignty and territorial integrity, as is in accordance with our reciprocal international rights and obligations. A joint communique will be issued today reiterating this mutual commitment. President Azcona and I agree that our countries and the other democracies in the region must act together to end the conflict that plagues Central America, but it's not just up to us.

Securing regional peace will require an end to Communist aggression as well as national reconciliation and democratization within Nicaragua. Honduras has been diligent and persistent in its pursuit of a comprehensive and verifiable solution within

the framework of the Contadora negotiations, and, Mr. President, you have our support in these efforts. The United States continues to believe that a realistic and enforceable agreement, based on the full implementation of the Contadora Document of Objectives, is one way to bring peace to Central America.

And finally, it was a great personal pleasure to meet President Azcona. I look forward to continuing our work in the same spirit of friendship and respect that was so evident in our meeting today. So, Mr. President, we thank you for coming. Godspeed on your way home.

*President Azcona.* It has been a great pleasure to talk with President Reagan. I believe that these exchanges of views, held in a climate of great cordiality and frankness, are always beneficial, because they lead to greater understanding and a better relationship between our governments and peoples.

With President Reagan, we have reviewed the various aspects of the harmonious bilateral relations between our two countries. I am happy to say that in the economic field he was receptive to the points I made to him. So, I am certain that his great country will give broad support to the measures which my government is taking to reactivate the Honduran economy and reduce our present high unemployment levels, as a complement to Honduran short- and medium-term efforts, all without neglecting our security needs.

I have told President Reagan about the efforts we are making in Honduras to develop our country. In this context, I reiterated the fact that our government assigns the highest priority to foreign investment, while at the same time recognizing that at present we also require the participation of government and the cooperation of friendly countries, among which the United States is one of the closest. Because of the fact that we believe in the necessity of offering the foreign investor a climate of tranquillity,

encouraging his participation in the effort being made by Hondurans to develop our country, and of offering him guarantees which ensure the protection of his legitimate rights, I have authorized the Foreign Minister to sign during this visit the treaty on the settlement of investment disputes between states and nationals of other states. This treaty will provide the foreign investor in Honduras with access to international legal mechanisms of recognized impartiality and competence, which together with those offered by Honduran law will guarantee to him the full enjoyment of his rights. In the political field, we reaffirmed our identity as a regime governed by rule of law and based on the effective exercise of democracy and on respect for human rights.

When we examined the situation in Central America, we noted with concern that conditions jeopardizing peace and security still exist. We agreed that major new efforts must be made to find a negotiated solution to the crisis, based on concrete actions for national reconciliation, on free and honest elections, on disarmament, and in general, on the creation of a climate in which freedom and security for all can guarantee the economic and social development of the peoples of Central America. To that end, it

is necessary to conclude fully verifiable, juridical arrangements among the Central American States. President Reagan reiterated to me that, in accordance with the special security relationship which exists between our two countries, as long as grave threats to Honduras security and to the stability of our institutions persist, the Government of the United States will be prepared, in the case of armed aggression against Honduras, to render it any necessary assistance which the Honduran Government may request.

Finally, I would like to say how very gratified I am that in the course of this visit, the relations of friendship and cooperation which exist between Honduras and the United States have been strengthened within a framework of trust and mutual respect. Thank you very much.

*Note: President Reagan spoke at 1:26 p.m. in the East Room at the White House. President Azcona spoke in Spanish, and his remarks were translated by an interpreter. Earlier, the two Presidents met privately in the Oval Office and then with U.S. and Honduran officials in the Cabinet Room. Following their meetings, they had lunch in the Residence.*

## **Honduras-United States Joint Communiqué** *May 27, 1986*

The Presidents of the United States of America and The Republic of Honduras, meeting in Washington, D.C., on May 27, 1986, recognizing the continuing seriousness of the Central American crisis and the need to take appropriate measures to protect the mutual security of their respective countries, issue the following communiqué:

The Presidents reaffirmed the joint communiqué issued in Washington, D.C., on May 21, 1985, with particular reference to the review of the security relationship. The two Presidents reiterated their governments' intention to continue to work closely together in the face of the serious threats to the peace and security of both countries

through mutual assistance and the development of defensive capabilities. To this end, the Government of the United States will continue to cooperate, as necessary and appropriate, in the strengthening of Honduras' defenses and the modernization of its armed forces.

The Government of the United States further reiterated its firm and unwavering commitment to cooperate in the defense of the sovereignty and territorial integrity of Honduras in accordance with the reciprocal rights and obligations relating to legitimate individual and collective self-defense and the use of armed force, as expressed in the Inter-American Treaty of Reciprocal Assist-

ance, the Charter of the United Nations, and the Charter of the Organization of American States.

In view of the close cooperation in the two countries' political and security relationships and the very serious security threats that exist in Central America, the Governments of the United States and Honduras reaffirmed the rights and obligations in the three above-mentioned instruments, including Article 3 of the Inter-American Treaty of Reciprocal Assistance, Article 51 of the Charter of the United Nations, and Article 21 of the Charter of the Organization of American States.

In case of an armed attack against Honduras, the United States will take appropriate measures, consistent with the rights and obligations cited above, to consult with and to support the Government of Honduras in a timely and effective manner in its efforts to defend its sovereignty and territorial integrity against communist aggression.

The two Presidents, recognizing the importance of democratic political and economic development to ensure peace and the economic and social well-being of the region's people, reaffirmed their intention to enhance bilateral cooperation to achieve the economic prosperity and to strengthen

the democratic social development of Honduras. In this regard, the Government of the United States reaffirms its intention to disperse during this year the full \$61.25 million available from 1986 United States Economic Support Funds to assist the implementation of the economic stabilization program recently announced by the Government of Honduras.

The two Presidents also reaffirmed their conviction that Central America can achieve its full development only in a climate of peace and complete freedom. In this sense, they reiterated their firm support for the efforts undertaken by the four Central American democracies to conclude a comprehensive and verifiable agreement for peace and democracy in Central America through the Contadora process. In particular, they noted the need for a treaty in which all commitments are fulfilled simultaneously and which provides for the clearly verifiable implementation of national reconciliation, democratization, and the limitation of armaments and troops. Such an agreement would guarantee the exercise of democracy in the five nations of the region.

Washington, D.C.,  
May 27, 1986.

## Statement on Soviet and United States Compliance With Arms Control Agreements

*May 27, 1986*

On the eve of the strategic arms reductions talks (START) in 1982, I decided that the United States would not undercut the expired SALT I Interim Offensive Agreement or the unratified SALT II agreement as long as the Soviet Union exercised equal restraint. I took this action, despite my concerns about the flaws inherent in those agreements, to foster an atmosphere of mutual restraint conducive to serious negotiations on arms reductions. I made clear that our policy required reciprocity and that it must not adversely affect our national security interests in the face of the continuing Soviet military buildup.

Last June I reviewed the status of U.S. interim restraint policy. I found that the United States had fully kept its part of the bargain. As I have documented in three detailed reports to the Congress, most recently in December 1985, the Soviet Union, regrettably, has not. I noted last June that the pattern of Soviet noncompliance with their existing arms control commitments increasingly affected our national security. This pattern also raised fundamental concerns about the integrity of the arms control process itself. A country simply cannot be serious about effective arms control unless it is equally serious about compliance. In

spite of the regrettable Soviet record, I concluded last June that it remained in the interest of the United States and its allies to try, once more, to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursued, with renewed vigor, our objective of deep reductions in existing U.S. and Soviet nuclear arsenals through the Geneva negotiations.

Therefore, I undertook to go the extra mile, dismantling a Poseidon submarine, U.S.S. *Sam Rayburn*, to give the Soviet Union adequate time to take the steps necessary to join us in establishing an interim framework of truly mutual restraint. However, I made it clear that, as subsequent U.S. deployment milestones were reached, I would assess the overall situation and determine future U.S. actions on a case-by-case basis in light of Soviet behavior in exercising restraint comparable to our own, correcting their noncompliance, reversing their unwarranted military buildup, and seriously pursuing equitable and verifiable arms reduction agreements. Later this month the eighth Trident submarine, U.S.S. *Nevada*, begins sea trials. In accordance with our announced policy, I have assessed our options with respect to that milestone. I have considered Soviet actions since my June 1985 decision and U.S. and allied security interests in light of both those actions and our programmatic options. The situation is not encouraging.

While we have seen some modest indications of improvement in one or two areas, there has been no real progress toward meeting U.S. concerns with respect to the general pattern of Soviet noncompliance with major arms control commitments, particularly in those areas of most obvious and direct Soviet noncompliance with the SALT and ABM agreements. The deployment of the SS-25, a forbidden second new intercontinental ballistic missile (ICBM) type, continues apace. The Soviet Union continues to encrypt telemetry associated with its ballistic missile testing in a manner which impedes verification. The Krasnoyarsk radar remains a clear violation. We see no abatement of the Soviet strategic force buildup. Finally, since the November summit, we have yet to see the Soviets follow up constructively on the commitment made by

General Secretary Gorbachev and myself to achieve early progress in the Geneva negotiations, in particular in areas where there is common ground, including the principle of 50-percent reductions in the strategic nuclear arms of both countries, appropriately applied, as well as an interim agreement on intermediate-range nuclear forces (INF).

Based on Soviet conduct since my June 1985 decision, I can only conclude that the Soviet Union has not, as yet, taken those actions that would indicate its readiness to join us in an interim framework of truly mutual restraint. At the same time, I have also considered the programmatic options available to the United States in terms of their overall net impact on U.S. and allied security. When I issued guidance on U.S. policy on June 10, 1985, the military plans and programs for fiscal year 1986 were about to be implemented. The amount of flexibility that any nation has in the near term for altering its planning is modest at best. Our military planning will take more time to move out from under the shadow of previous assumptions, especially in the budgetary conditions which we now face. These budgetary conditions make it essential that we make the very best possible use of our resources.

The United States had long planned to retire and dismantle two of the oldest Poseidon submarines when their reactor cores were exhausted. Had I been persuaded that refueling and retaining these two Poseidon submarines would have contributed significantly and cost-effectively to the national security, I would have directed that these two Poseidon submarines not be dismantled but be overhauled and retained. However, in view of present circumstances, including current military and economic realities, I have directed their retirement and dismantlement as planned. As part of the same decision last June, I also announced that we would take appropriate and proportionate responses when needed to protect our own security in the face of continuing Soviet noncompliance. It is my view that certain steps are now required by continued Soviet disregard of their obligations.

Needless to say, the most essential near-term response to Soviet noncompliance re-

mains the implementation of our full strategic modernization program, to underwrite deterrence today, and the continued pursuit of the Strategic Defense Initiative (SDI) research program, to see if it is possible to provide a safer and more stable basis for our future security and that of our allies. The strategic modernization program, including the deployment of the second 50 Peacekeeper missiles, is the foundation for all future U.S. offensive force options. It provides a solid basis which can and will be adjusted over time to respond most efficiently to continued Soviet noncompliance. The SDI program represents our best hope for a future in which our security can rest on the increasing contribution of defensive systems that threaten no one.

It is absolutely essential that we maintain full support for these programs. To fail to do so would be the worst response to Soviet noncompliance. It would immediately and seriously undercut our negotiators in Geneva by removing the leverage that they must have to negotiate equitable reductions in both U.S. and Soviet forces. It would send precisely the wrong signal to the leadership of the Soviet Union about the seriousness of our resolve concerning their noncompliance. And it would significantly increase the risk to our security for years to come. Therefore, our highest priority must remain the full implementation of these programs.

Secondly, the development by the Soviet Union of its massive ICBM forces continues to challenge seriously the essential balance which has deterred both conflict and coercion. Last June I cited the Soviet Union's SS-25 missile, a second new type of ICBM prohibited under SALT II, as a clear and irreversible violation. With the number of deployed SS-25 mobile ICBM's growing, I now call upon the Congress to restore bipartisan support for a balanced, cost-effective, long-term program to restore both the survivability and effectiveness of the U.S. ICBM program. This program should include the full deployment of the 100 Peacekeeper ICBM's. But it must also look beyond the Peacekeeper and toward additional U.S. ICBM requirements in the future, including the small ICBM to complement Peacekeeper. Therefore, I have di-

rected the Department of Defense to provide to me by November 1986 an assessment of the best options for carrying out such a comprehensive ICBM program. This assessment will address the basing of the second 50 Peacekeeper missiles and specific alternative configurations for the small ICBM in terms of size, number of warheads, and production rates.

Finally, I have also directed that the advanced cruise missile program be accelerated. This would not direct any increase in the total program procurement at this time, but rather would establish a more efficient program that both saves money and accelerates the availability of additional options for the future. This brings us to the question of the SALT agreements. SALT II was a fundamentally flawed and unratified treaty. Even if ratified, it would have expired on December 31, 1985. When presented to the U.S. Senate in 1979, it was considered by a broad range of critics, including the Senate Armed Services Committee, to be unequal and unverifiable in important provisions. It was, therefore, judged by many to be inimical to genuine arms control, to the security interests of the United States and its allies, and to global stability. The proposed treaty was clearly headed for defeat before my predecessor asked the Senate not to act on it.

The most basic problem with SALT II was that it codified major arms buildups rather than reductions. For example, even though at the time the treaty was signed in 1979, the U.S. had, and only planned for, 550 MIRV'ed ICBM launchers, and the Soviet Union possessed only about 600, SALT II permitted each side to increase the number of such launchers to 820. It also permitted a buildup to 1,200 MIRV'ed ballistic launchers (both ICBM's and submarine-launched ballistic missiles, SLBM's) even though the United States had only about 1,050 and the Soviet Union had only about 750 when the treaty was signed. It permitted the Soviet Union to retain all of its heavy ballistic missiles. Finally, it limited ballistic missile launchers, not the missiles or the warheads carried by the ballistic missiles. Since the signing of SALT II, Soviet ballistic missile forces have grown to within



a few launchers of each of the 820 and 1,200 MIRV'ed limits and from about 7,000 to over 9,000 warheads today. What is worse, given the failure of SALT II to constrain ballistic missile warheads, the number of warheads on Soviet ballistic missiles will continue to grow very significantly, even under the treaty's limits, in the continued absence of Soviet restraint.

In 1982 on the eve of the START negotiations, I undertook not to undercut existing arms control agreements to the extent that the Soviet Union demonstrated comparable restraint. Unfortunately the Soviet Union did not exercise comparable restraint, and uncorrected Soviet violations have seriously undermined the SALT structure. Last June I once again laid out our legitimate concerns but decided to go the extra mile, dismantling a Poseidon submarine, not to comply with or abide by a flawed and unratified treaty, but rather to give the Soviet Union one more chance and adequate time to take the steps necessary to join us in establishing an interim framework of truly mutual restraint. The Soviet Union has not used the past year for this purpose.

Given this situation, I have determined that in the future the United States must base decisions regarding its strategic force structure on the nature and magnitude of the threat posed by Soviet strategic forces and not on standards contained in the SALT structure, which has been undermined by Soviet noncompliance, and especially in a flawed SALT II treaty, which was never ratified, would have expired if it had been ratified, and has been violated by the Soviet Union.

Since the United States will retire and dismantle two Poseidon submarines this summer, we will remain technically in observance of the terms of the SALT II treaty until the United States equips its 131st B-52 heavy bomber for cruise missile carriage near the end of this year. However, given the decision that I have been forced to make, I intend at that time to continue deployment of U.S. B-52 heavy bombers with cruise missiles beyond the 131st aircraft as an appropriate response without dismantling additional U.S. systems as compensation under the terms of the SALT II treaty. Of course, since we will remain in technical

compliance with the terms of the expired SALT II treaty for some months, I continue to hope that the Soviet Union will use this time to take the constructive steps necessary to alter the current situation. Should they do so, we will certainly take this into account.

The United States seeks to meet its strategic needs, given the Soviet buildup, by means that minimize incentives for continuing Soviet offensive force growth. In the longer term, this is one of the major motives in our pursuit of the Strategic Defense Initiative. As we modernize we will continue to retire older forces as our national security requirements permit. I do not anticipate any appreciable numerical growth in U.S. strategic offensive forces. Assuming no significant change in the threat we face as we implement the strategic modernization program, the United States will not deploy more strategic nuclear delivery vehicles than does the Soviet Union. Furthermore, the United States will not deploy more strategic ballistic missile warheads than does the Soviet Union.

In sum, we will continue to exercise the utmost restraint, while protecting strategic deterrence, in order to help foster the necessary atmosphere for significant reductions in the strategic arsenals of both sides. This is the urgent task which faces us. I call on the Soviet Union to seize the opportunity to join us now in establishing an interim framework of truly *mutual* restraint.

Finally, I want to emphasize that no policy of interim restraint is a substitute for an agreement on deep and equitable reductions in offensive nuclear arms, provided that we can be confident of Soviet compliance with it. Achieving such reductions has received, and continues to receive, my highest priority. I hope the Soviet Union will act to give substance to the agreement I reached with General Secretary Gorbachev in Geneva to achieve early progress, in particular in areas where there is common ground, including the principle of 50-percent reductions in the strategic nuclear arms of both countries, appropriately applied, as well as an interim INF agreement. If the Soviet Union carries out this agreement, we can move now to achieve greater stability and a safer world.

## Statement by Principal Deputy Press Secretary Speakes on Soviet and United States Compliance With Arms Control Agreements May 27, 1986

Since the President came into office, he has done everything that he could to try to persuade the Soviet Union to meet its obligations with respect to SALT and to agree to significant reductions in U.S. and Soviet nuclear arsenals. In 1982 he said the United States would continue not to undercut the flawed SALT agreements so long as the Soviets exercised equal restraint. Regrettably, the Soviets didn't. In June 1985 the President tried again. He once again stated his great concern that Soviet noncompliance was ever more deeply undermining the SALT structure. He called upon the Soviet Union to join us in building an interim framework of *truly* mutual restraint until a START agreement replaces the SALT structure.

Today the President announced that the United States cannot continue to support unilaterally a flawed SALT structure that Soviet noncompliance has so grievously undermined and that the Soviets appear unwilling to repair. Therefore, in the future, the United States will base decisions regarding its strategic forces on the nature and magnitude of the threat posed by the Soviet Union, rather than on standards contained in expired SALT agreements unilaterally observed by the United States.

The President has decided to retire two older Poseidon submarines as the eighth Trident submarine begins sea trials tomorrow. This means the U.S. will stay in technical observance of SALT for some months. This gives the Soviet Union still more time

to correct their erosion of SALT. If they do, the President will take this into account. Our attempt to use the structure of SALT as the basis for interim restraint until a START agreement can be achieved has always been based on the assumption of Soviet reciprocity. It makes no sense for the United States to continue to hold up the SALT structure while the Soviet Union undermines the foundation of SALT by its continued, uncorrected noncompliance. Therefore, the President believes we must now look to the future, not to the past. The primary task we now face is to build a new structure, one based on significant, equitable, and verifiable reductions in the size of existing U.S. and Soviet nuclear arsenals. This is what we are proposing in the ongoing Geneva negotiations.

Until this is achieved, the United States will continue to exercise the utmost restraint. Assuming no significant change in the threat we face as we implement the strategic modernization program, the United States will not deploy more strategic nuclear delivery vehicles or strategic ballistic missile warheads than the Soviet Union. It is high time that the Soviets honor their obligations, match U.S. restraint, and get down to negotiating seriously in Geneva. If they do, we can move together now to build a safer and more secure world.

*Note: Larry M. Speakes read the statement to reporters at 1:01 p.m. in the Briefing Room at the White House.*

## Designation of Richard G. Johnson as Acting Director of the Office of Science and Technology Policy May 27, 1986

The President today designated Richard G. Johnson to be Acting Director of the Office of Science and Technology Policy,

effective May 24, 1986.

Dr. Johnson has been serving as Assistant Director for Space Science and Technology,

Office of Science and Technology Policy in the Executive Office of the President. In 1956 he joined the Lockheed Palo Alto Research Laboratory of the Lockheed Missiles and Space Co., where for 27 years he conducted a broad range of research in low energy nuclear physics and in the space sciences. He was manager of the Space Sciences Laboratory for 10 years and senior

science adviser to the director of research for 5 years. He was a visiting professor at the University of Bern in 1980.

Dr. Johnson graduated from Antioch College (B.S., 1951) and Indiana University (Ph.D., 1956). He is married, has two children, and resides in Arlington, VA. Dr. Johnson was born April 12, 1928, in Camden, OH.

## **Proclamation 5494—Critical Care Week, 1986** *May 25, 1986*

*By the President of the United States  
of America*

### *A Proclamation*

Critical care medicine is a newly defined term that describes a category of medical treatments for patients who are in life-threatening situations and require immediate care. Coronary, respiratory, neonatal, trauma, and intensive care units are elements of critical care medicine. Patients may need such critical care after auto or boat accidents, heart attack, stroke, industrial injuries, or as a result of premature birth.

Critical care units, where they are available, often serve as many as 15 percent of a hospital's in-patients. Approximately 4,300 critical care units have already been established in the United States.

Public awareness of the special medical needs of the critically ill is important if America is to maintain its preeminence in the development and spread of medical advances in the area of critical care. Patients such as trauma and burn victims, AIDS victims, and postoperative patients with complications need critical care units within hospitals, and America needs the progress in treatment strategies these units and the professionals who staff them accomplish. The Society of Critical Care Medicine and

its members throughout the United States are dedicated to improving the care of critically ill patients through research and education.

In order to increase public awareness of the importance of critical care medicine, the Congress, by House Joint Resolution 526, has designated the week beginning May 25 through May 31, 1986, as "Critical Care Week" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning May 25 through May 31, 1986, as Critical Care Week. I call upon the people of the United States to observe this event with appropriate ceremonies and activities.*

*In Witness Whereof, I have hereunto set my hand this 25th day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:34 a.m., May 29, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on May 28.*

## Proclamation 5495—National Child Safety Month, 1986

May 28, 1986

*By the President of the United States  
of America*

### *A Proclamation*

The future of our Nation is in the hands of our children. The effects of the loving support, the nurturing, and the instruction we give them now will be felt and magnified a thousandfold in the generations to come.

Sadly, not all of our children live in a warm, loving family environment. In every part of America there are children who are abused, exploited, or abandoned, or who run away from an intolerable home situation to endure worse depravity on the streets of our cities. Unfortunately, this mistreatment may also be a legacy passed on to future generations.

I believe that the American people can accomplish miracles when they are aware of the gravity of a situation. Fortunately, evidence that this awareness is growing is available in community after community across the country, as well as in the increasing involvement of voluntary associations and the private sector in developing programs to protect our children. We are recognizing anew our responsibility as neighbors and friends to extend a helping hand to families and children in trouble. We are examining once again the root causes of the various stresses that families face today, and we are acquiring a stronger sense of society's task to shield families, and especially

children, from influences that undermine their sense of harmony, security, and well-being. We have begun to see more clearly than ever the importance of values to happiness and stability in the home. These are the best preventives at our disposal.

Where problems in the family have exhausted its resources to cope, much can be done now in the way of treatment and counseling. Communities can contribute by working together to provide safe shelters for runaways and to find adoptive parents for children in need of a loving home.

The Congress, by Senate Joint Resolution 293, has designated the month of May 1986 as "Child Safety Month" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim the month of May 1986 as Child Safety Month. I urge all Americans and governmental and private entities to observe this month with appropriate ceremonies and activities.

*In Witness Whereof*, I have hereunto set my hand this twenty-eighth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:35 a.m., May 29, 1986]*

## Statement by Principal Deputy Press Secretary Speakes on the Preliminary Radioactive Waste Repository Site Selection

May 28, 1986

The President today accepted the Secretary of Energy's report and recommendation to select three sites for the Nation's first radioactive waste repository. The sites recommended and approved are located at

Yucca Mountain, NV; Deaf Smith County, TX; and Hanford, WA. These three sites were recommended from five as the Nation's first geologic repository for the permanent disposal of high-level radioactive

waste and spent nuclear fuel. The Secretary's nominations were based on the environmental assessments required by the Nuclear Waste Policy Act of 1982 and were supported by environmental assessments evaluating on a technical basis the five sites

from which the three were recommended and selected. As prescribed by law, the Secretary of Energy will further study these three sites and a recommendation to the President will be made in 1994 as to which of the three should be the final site.

## **Nomination of General Larry D. Welch To Be Chief of Staff of the Air Force**

*May 29, 1986*

The President today announced his intention to nominate Gen. Larry D. Welch to be Chief of Staff, United States Air Force, Department of Defense. He would succeed Gen. Charles A. Gabriel, whose term expires June 30, 1986.

General Welch is currently serving as commander in chief, Strategic Air Command, and director, joint strategic target planning staff, Offutt Air Force Base, NE, a position he has held since August 1985. Previously, he was Vice Chief of Staff of the U.S. Air Force, 1984–1985; Deputy Chief of Staff for Programs and Resources at Air Force Headquarters, 1982–1984; Com-

mander of the 9th Air Force and Air Force Component Commander for the Rapid Deployment Joint Task Force, 1981–1982; and Inspector General, Deputy Chief of Staff for Plans, and Deputy Chief of Staff for Operations at Tactical Air Command Headquarters, Langley Air Force Base, VA, 1977–1981.

He graduated from the University of Maryland (B.A., 1971), George Washington University (M.S., 1972), the Armed Forces Staff College (1967), and the National War College (1972). General Welch is married and has four children. He was born June 9, 1934, in Guymon, OK.

## **Nomination of Admiral Carlisle A.H. Trost To Be Chief of Naval Operations**

*May 29, 1986*

The President today announced his intention to nominate Adm. Carlisle A.H. Trost, U.S. Navy, to be Chief of Naval Operations, Department of Defense. He would succeed Adm. James D. Watkins, whose term expires June 30, 1986.

Admiral Trost is presently serving as commander in chief, U.S. Atlantic Fleet and deputy commander in chief, U.S. Atlantic Command. Previously, he was director, Navy program planning in the Office of the Chief of Naval Operations, 1981–1985; com-

mander, 7th Fleet, 1980–1981; deputy to the commander in chief, U.S. Pacific Fleet, 1978–1980; director, systems analysis division in the Office of the Chief of Naval Operations, 1976–1978; and Assistant Chief of Naval Personnel for Officer Development and Distribution, 1974–1976.

Admiral Trost graduated from the United States Naval Academy (B.S., 1953). He is married and has four children. Admiral Trost was born on April 24, 1930, in Valmeyer, IL.

## Remarks to the Annual Meeting of the National Association of Manufacturers

May 29, 1986

It's a great pleasure to be with you once again. This is my first event with Mari Maseng, the new Director of Public Liaison in the White House. Liaisons in the White House—that kind of sounds like a political potboiler, doesn't it? [*Laughter*] Mari, it's good to have you on board.

Today I want to address you on one of the most important challenges that faces our nation: keeping our trading system free and fair—an open, vibrant, and expanding source of prosperity through the end of this century and beyond. I've noticed that dinner speakers or luncheon speakers often start off by saying, "Before I begin, I'd like to say a few words," which I always thought was a pretty handy trick. [*Laughter*] Today I'd like to try that myself. So, before I begin talking about trade, I'd like to say a few words about your vote tomorrow on the Senate Finance Committee's tax reform bill. You can probably guess my feelings on the subject.

We have before us an historic opportunity to dramatically lower tax rates and to draw America's investment capital out from under the shelters and back into the productive economy where it belongs. With this bill we can liberate the entrepreneurial genius of the American people and put the American spirit of enterprise into overdrive for our race into the 21st century. This is truly tax reform that is profairness, profamily, progrowth, and prosimplification. Now, that last isn't mentioned very often by all those who oppose tax reform, but it's important to everyone who has to deal annually with the Internal Revenue Code. Let me give you an example. Here is the last sentence of section 509(a) of the code: "For purposes of Paragraph 3, an organization described in Paragraph 2 shall be deemed to include an organization described in Section 501(c), (4), (5), or (6) which would be described in Paragraph 2 if it were an organization described in Section 501(c)(3)." [*Laughter*]

Now, you know, there's 57 feet of Inter-

nal Revenue Code lined up on the shelf with things like that in it. Well, as for fairness, by dropping millions of working poor off the tax rolls, giving families with children a long-overdue break, lowering the top rate down to its lowest level in half a century, we'll make it easier for every American to climb that ladder of opportunity and to keep the fruits of his or her achievement. You know, more than a century ago, a Scottish economist, John Ramsay McCulloch, spoke of the principle of the progressive tax. To paraphrase him: When we start taxing individuals on any other basis than proportional to their earnings or property, we are at sea without rudder or compass and there is no end to the mischief that can be done. Well, I think we can all say amen to that.

This bill represents a new consensus in America, a progrowth, pro-opportunity consensus. The politics of envy, which produced only bitterness and division, has been consigned to the trash heap of history—economic history—and the days of the malaise economy and the zero-sum society are over. We no longer believe that one man's gain is another man's loss. We have a new vision of America, one in which we are all pulling together rather than pulling apart, one where we're marching forward together as one, proud and united. A growing economy with ever-expanding horizons, an economy of boundless energy and infinite possibilities—this is a vision that does not and cannot stop at our borders. Unfortunately, when it comes to the issue of trade, that old zero-sum thinking still persists. The same faction that brought us high taxes, that locked out opportunity, now wants to throw up barriers to lock out trade.

You know, it's said that if all the economists in the world were laid end to end they still wouldn't reach a conclusion. [*Laughter*] I can make cracks like that now, because my degree was in economics. But the one thing that practically every economist agrees on—whether they're left, right,

or center—is that international trade is vital to a growing, high-employment economy, and trade barriers do nothing but destroy jobs and stunt economic growth. But you don't have to be an economist to know that. No one who has lived through or learned the lessons of this century doubts how dangerous it is to play a game of chicken with our trading partners. Because it won't be long until we're both driving over that cliff.

Having celebrated my 39th birthday 36 times now—[laughter]—I've been around to witness a sizable chunk of this century. I well remember the antitrade frenzy in the late twenties that produced the Smoot-Hawley tariffs, greasing the skids for our descent into the Great Depression and the most destructive war this world has ever seen. That's one episode of history I'm determined we will never repeat. I also remember that after the war the peoples of the free world pulled themselves from the ashes and swore it would never happen again. From their vision and determination came a great act of statesmanship. With the unimpressive title of the General Agreement on Tariffs and Trade, or GATT for short, the global trading system was opened up and the free world entered an era of cooperation and prosperity unparalleled in human history. In that postwar prosperity, the United States became the world's greatest trading nation in history.

I don't have to tell you about the benefits of trade: that greater choice and lower prices for consumers, businesses, and manufacturers means greater productivity and improving living standards for all. Over half a trillion dollars in goods were traded across our borders last year. Exports account for one out of every four farm acres planted and one out of every six manufacturing jobs. But even more important, trade is a spur to innovation. Despite the faint hearts constantly putting down this country's ability to compete, we remain today the world's largest exporter and the most competitive nation on Earth.

The American economy is blazing a trail toward the future. Since 1980 we've seen commitments to venture capital increase fourfold, record numbers of new businesses incorporated, and a 42-percent increase in companies listed over-the-counter in the

stock market. Our entrepreneurs and scientists are in the vanguard of technological innovation. From custom-made computer chips to genetically engineered vaccines to the latest developments in robotics, the label reads "Made in America." And we heard some good news from the Labor Department this morning. The index of leading economic indicators rose 1½ percent in April, the largest increase since October 1983, while the previous 2 months were revised to show greater gains than earlier reported and productivity figures for the first quarter were revised upward, too—all signaling good times ahead.

Now, that doesn't mean that in some sectors of our economy the pain isn't very real. In some cases the disruptions of a changing world economy have caused personal hardship for America's workers. And in those cases it's our commitment to help those workers move into healthy and growing industries, and we'll meet that commitment. But no one benefits by antitrade legislation that pits one worker's job against another, that divides American business and industry and sets them off against each other, fighting for a piece of a shrinking pie. America doesn't need to hide behind trade barriers. Given a level playing field, Americans can outproduce and outcompete anyone anywhere on Earth. That's why it is the policy of this administration to open markets abroad, not close them at home.

Now this doesn't absolve other nations from playing by the rules. Free trade means, by definition, fair trade. And where other nations aren't playing by the rules, this administration is more activist, more aggressive, than any other in blowing the whistle on unfair trade practices against American producers. In the past year alone we have gone after Korean abuse of intellectual property rights and we've increased access of American agricultural products to European and Taiwanese markets. And while we prefer to negotiate, we have taken and will take strong action when necessary against markets closed to American goods and services. And to prevent other countries from selling below cost and unfairly moving in on American markets, we have initiated 528 antidumping and coun-

tervailing duty cases.

Constant negotiations with Japan are opening markets previously shut to American exporters. Over the past year we've worked to open Japan to American exports of telecommunications equipment, medical equipment, pharmaceuticals, electronics, and forest products; and we're going after transportation equipment. We've been intensively negotiating with the Japanese on semiconductors, and I'm pleased to announce that we have the framework of an agreement which would open Japanese markets to U.S. computer chips and prevent Japanese companies from dumping their chips on American markets. While the precise details still have to be hammered out by Ambassador Yeutter, this framework should allow for significant new market access.

Just last week we began negotiations with Canada, our largest trading partner, on a new, comprehensive free trade agreement which would lower barriers to U.S. exports. From insurance in Korea to computers in Brazil to tobacco and products in Japan, this administration is making sure that American exporters get a fair shake abroad. Now, all these initiatives are important. But if our critics are seriously interested in creating a level playing field for American industry, they have to look with us at the underlying reasons for the imbalance in world trade. The first we have corrected: The dollar is now at a more competitive level with foreign currencies, and that means increasing American exports. The second important reason for the imbalance in trade is the basic imbalance in the world economy. Because we cut tax rates and regulations, controlled spending, and squashed inflation, our economy's been growing and prospering. But the world is not growing along with us. Burdened by tariffs, quotas, oversized governments, and marginal tax rates as high as 80 percent, economies in Europe, Africa, and Latin America have stagnated, even declined. With incomes falling and unemployment high, they can no longer afford to buy our products. And that's one major reason why between 1980 and 1984 imports into Western Europe dropped by 18 percent, Africa by 17 percent, and Latin America by 34 percent.

Now, despite this devastating decline in world trade, America has stayed competitive. The members of NAM deserve a lot of credit for the fact that in 1984 exports of U.S. manufactured goods increased by over 8 percent. And they went up again in 1985. Our share of world exports of manufactured goods has increased, too, from 17 percent in 1978 to 20 percent in 1985. America's manufacturing production has risen steadily and is just as big a part of our overall economy as it was 30 years ago. All those who talked about the so-called deindustrialization of the United States should take a look at the real figures. And then maybe they'd realize that America's best days aren't over; they're just beginning. When it comes to America's future, believe me, you ain't seen nothing yet.

The world doesn't need more tariffs and taxes and the unemployment they produce. It needs more progrowth policies that lower tax rates and interest rates, create jobs, and expand world trade. And once again, America is taking the lead. We're strengthening the world monetary system, the foundation of international trade. And as I mentioned before, the dollar is now at a more competitive level with foreign currencies. We're combating economic decline in the debt-ridden developing countries by promoting high-growth, low-tax, free-market reforms. We're encouraging Japan to reform the bias against consumption that is built into its system. And next September we expect to launch a new round of GATT negotiations with our trading partners aimed at opening up markets for everyone. The docket will be full, including current rules that aren't working properly—for example, those in agriculture and the settlement of disputes—as well as the trade issues of tomorrow, like services, intellectual property protection, investment, and high technology.

All of these are real solutions to the real problem of getting the world economy back on the growth track. And that's the track to a future of open vistas and unfolding opportunities, a future where we all grow together, where every nation's prosperity augments our own. Unfortunately the House of Representatives last week turned its back on the future and started marching right



back to Smoot-Hawley. Its so-called omnibus trade bill is really an ominous antitrade bill that could send our economy into the steepest nosedive since the Great Depression. This reactionary legislation would force American consumers to pay billions in higher prices, throw millions of Americans out of work, and strangle our economy as foreign markets slam shut in retaliation.

This antitrade bill isn't protectionism; it's destructionism. We've created nearly 10 million new jobs since the recovery began 40-odd months ago. More jobs in the last decade than Europe and Japan combined. But this bill would start wiping them out. The Commerce Department has estimated that the jobs of 5½ million Americans—workers—are dependent on exports. That's 5½ million American jobs that would be threatened if this bill were passed into law. And who would be some of the first victims? Well, you don't have to look very far. They're right here at home: the aerospace machinist at Boeing's plant near Seattle who builds some of the world's finest passenger planes, the recording engineer at CBS Records, the wheat farmer in Nebraska, and the longshoreman in New Orleans loading grain on ships destined for foreign ports, to name just a few. No job is safe in a trade war. In this modern society all our fortunes are connected by a million links in a chain of interdependence. If these people lose their jobs, what of the automobile dealer who hoped to sell them a new car or the trucker who hauled the cars or the auto worker who made them or the steel worker who fashioned the raw material or the miner who provided coal to the steel factory? And what of the retailers, service people, doctors, and teachers whose livelihoods ultimately depend on their jobs?

This bill is so potentially destructive that even many of those who voted for it did so in the expectation it would be vetoed and so never become law. Well, if it comes to that, I assure them they'll get their wish. The Democratic leadership may think this is clever politics in an election year, but the American people see this for what it is: kamikaze legislation that would take their jobs down in flames. Those who believe this is the way to go are, in reality, economic defeatists. They have lost confidence in the

capacity of their own country and their own countrymen to compete in the modern era. They look out at the industrial democracies of Europe and west Asia and the emerging democracies of Latin America, and instead of saying, "America will lead the world into a better and brighter future," they cry, "Stop the world, I want to get off."

Well, I don't share that pessimism, that defeatism; I never did. And neither does young America. There's got to be a pony in here someplace. *[Laughter]* And neither, by the way, do our trading partners who marvel at what Europeans call the American miracle—3½ years of expansion and job creation and advances in science and technology that have left the whole world gaping at the near-limitless capacities of the American people. I saw that firsthand at the economic summit in Tokyo. The leaders of the world's major industrialized democracies all wanted to know how they could inject some of that American spirit of enterprise into their economies.

Well, let me restate, then, the trade policy of this administration. We will root out and take action against unfair trading practices targeted at American products or American workers. We will be alert and aggressive in opening up foreign markets closed to American exporters. We will bring the world with us into a new era of free and fair trade. Free trade with free traders is our byword. But we will not seek false security behind restrictive quotas and import duties. Nations that hide behind tariff walls soon fall behind. America's destiny is not to be second or third or fourth in the march to the future. It's to be in the vanguard, leading the free nations into a brighter and better era.

To those countries whose economies are still enmeshed in statist policies, the American economy is a shining example that freedom not only works, it works wonders. If we further reform our tax structure, closing loopholes and bringing our top rate down to 27 percent, we'll be opening the floodgates of progress and creating a momentum toward economic freedom that will sweep up the world in its currents. We will see a global economy of opportunity emerge, one where markets are not only open but con-

stantly expanding. America has done it before in more trying times. And with your help, we can do it again. We can keep the miracle alive, not only for America but for the world.

Well, thank you, and God bless you all.

*Note: The President spoke at 11:33 a.m. in the Grand Ballroom at the J.W. Marriott Hotel. Clayton Yeutter was the United States Trade Representative.*

## Remarks at a Dinner for Former Members of the Office of Strategic Services

May 29, 1986

Well, I'm delighted to be here tonight, and of course I'm greatly honored. I appreciated it very much—the one note that you did read. I happen to be in complete agreement with one citizen of the United Kingdom who approached me—we didn't know each other at the time of the economic summit in London—and he said to me, "Margaret Thatcher is the greatest man in England." [Laughter] By the way, I asked if this dinner was going to be black tie and was told, "No, trenchcoat." [Laughter] And then I asked Bill Casey where the dinner was going to be. And he said, "Leave the White House, go to 17th and K, and wait for the phone to ring." [Laughter]

But seriously, it is a great honor to receive this award from all of you. But it seems to me we have this award-giving a little backward tonight. I can't think of a more distinguished gathering than this one, nor can I think of any group whose accomplishments and devotion to country makes them more worthy of accolades and praise. And yet it's precisely that praise and those accolades that you decided to forgo when you chose a twilight war, a secret profession, a profession where praise and thanks can only come from history and not from your contemporaries. And it's because secrecy has been your business that you all know how vital it is to your nation's safety and freedom's survival.

"The necessity of procuring good intelligence is apparent and need not be further urged," General Washington wrote to one of his colonels in 1777. "All that remains for me to add is that you keep the whole matter as secret as possible. For upon secre-

cy success depends in most enterprises of the kind, and for want of it they are generally defeated, however well planned and promising." Well, even then, Washington seems to sense that this business of secrecy does not come easily to us Americans. We're rightly regarded as a candid and open people who pride ourselves on our free society. And yet our secret services, our spies and intelligence agencies—from Nathan Hale to Midway, from OSS to CIA—have not written just a striking, stirring chapter in our history but have often provided the key to victory in war and the preservation of our freedom during an uneasy peace.

And that's why I'm delighted to be here tonight. None of America's intelligence agents have inspired and protected their nation more than the men and women of the OSS. I cannot attempt to recount tonight the individual deeds. Bill Donovan, for example, what a remarkable man he was—a member of the "Fighting 69th" in the First World War, a winner of the Congressional Medal of Honor, a one-man intelligence service in the thirties and forties, an American legend. And then there was the dedication and heroism of so many other OSS officers, from guerrilla leaders like Jim Kellis, Joe Alsop, and Carl Eifler to the strategists and planners like Dick Helms, Ned Putzel, and Bill Casey. All of this has been spoken of now in the many volumes about the secret war you waged 40 years ago.

So, tonight I join you to honor the memory of Bill Donovan and all the veterans of OSS, those who heard no bugles and

received no medals, but who struggled and sacrificed so that freedom might endure. Let me say to each of you tonight what the American people would have said 40 years ago had they known your story. Let me say to each of you tonight what every living American would say if he or she had the chance: We honor you. We salute you. We thank you for a job well done. And yet it's not enough just to thank or salute you for the past, because Bill Donovan's and the OSS's contributions have continued in the postwar era. For more than half of the CIA's existence, that agency's leadership has been in the hands of OSS veterans—the names are Dulles, Helms, Colby, and Casey. And so, too, I know each of you has continued to work for the cause of freedom since the end of World War II and especially the preservation of America's intelligence capability. You know better than most how important that capability is.

I think all of us can feel grateful that in the last few years that capability has seen a renaissance; indeed, the revitalization of an intelligence community is among the things we celebrate here tonight. And, yes, it's true this administration has given unstinting support to that effort. And let me assure you, that will continue. And while there are many who have made a vital contribution to that effort, I think all of you know who the linchpin is. A few years ago in his book, "Piercing the Reich," Joseph Persico described a young OSS officer. "A man," he said, "with boundless energy and competence. A man with an analytical mind, tenacious will, and a capacity to generate high morale among his staff. He delegated authority easily to trusted subordinates and set a simple standard—results." In every job he's held in government ever since, as Under Secretary of State, Chairman of the SEC, and now as DCI, that OSS officer has, by the end of his tenure, left even his harshest critics singing his praises. His name is Bill Casey. He has been your leader, he's our leader and good friend and surely one of the heroes of America's fight for freedom in the postwar era.

So, tonight, Bill Casey, your President and the veterans of the OSS salute you. And in saluting Bill Casey, we salute all those past and present who carry on the twilight

war against totalitarianism. In your citation you speak of this administration's commitment to a forward strategy for freedom. And sometimes the question has been asked: What do we mean by this? Is this a return to John Foster Dulles? Are we preaching rollbacks? So the evidence—got ahead of myself there. I would say to you, the phrasing of the question itself is wrong, for it contains an assumption there that the march of communism is something unavoidable, that those who stand in its way are trying to throw back the forces of history.

Well, look around the world today. More than 90 percent of the people of Latin America are living in democratic nations or nations moving toward democracy—a striking change from only a few years ago. Many Asian and European countries are rejecting statism, moving toward the free market and democratic institutions. And then there is the revolution among the intellectuals, where statist and totalitarian ideology is now passé. And we're seeing anti-Communist insurgencies in many parts of the world. So the evidence is there; freedom is on the march. Our forward strategy for freedom means simply that we recognize this: that freedom today is a gathering tide, one that will soon engulf even the driest desert patches of totalitarian rule.

The truth is this: "The march of providence is so slow and our desire so impassioned," Robert E. Lee said once, "the work of progress so immense and our means of aiding it so feeble, the life of humanity is so long, that of the individual so brief, that we often see only the ebb of the advancing wave and are thus discouraged. It is history that teaches us to hope." Well, as we look at secret events in the light of postwar history, we can see that hope everywhere we look and turn. And it's not just us alone. Think how those must feel who only a few years ago despised us for what they saw as our weakness and staked their fortune on our doom. I think in particular of one man who is a symbol of much that was wrong with our world. How uneasy must be the Moscow nights of Kim Philby as he sees the new will, vigor, and energy of the West, and especially the renaissance of our intelligence services. How he and others like him

must realize that it was those they betrayed who are on the winning side after all.

We pray God that it will be so, that the struggle against totalitarianism will end in freedom's triumph, perhaps even in our own lifetime. But whether we see that day or not, we're confident that it will come. And when it does arrive, historians will look back to moments like this and to people like you, to the veterans of the OSS, and say as the ancients said of their heroes: Here

were the brave, and here their place of honor.

Thank you, and God bless you.

*Note: The President spoke at 6:50 p.m. in the International Ballroom at the Washington Hilton Hotel after receiving the William Donovan Award in recognition of his service to the country. William J. Casey was Director of Central Intelligence.*

## Remarks on Greeting the National Spelling Bee Finalists

May 30, 1986

*The President.* It's a pleasure to have all of you here today. And before anything else, I'd like to say how proud I am of each of you for reaching the National Spelling Bee finals. Getting this far required intelligence, concentration, and preparation. And that last word is spelled h-o-m-e-w-o-r-k. [Laughter]

I especially would like to congratulate Jon Pennington for being this year's National Spelling Bee champion and to Andy Larson and Rachel Henderson for being runners-up. I understand the winning word was odontalgia. Odontalgia?

*Mr. Pennington.* Odontalgia.

*The President.* I'm having trouble pronouncing it, let alone spelling it. Anybody who can get that right has either done their homework or spent a lot of time at the dentist. [Laughter]

And while we're offering our congratulations, let's not forget two young people who have had to overcome even greater odds in order to be here today, Terra Syslo and Monica Van Doren. Your achievement—I'm talking about everyone here today—sets a fine example for young people across our country. Spelling, like mathematics and reading, is a skill to be mastered, a skill that will open the door of the future.

Being successful, as all of you are aware, takes much more than luck and much more than raw talent. Thomas Edison once said that genius is 1 percent inspiration and 99 percent perspiration. When I was your age—now, some of you may think that was

back in the time of the dinosaurs, but it wasn't quite that long ago—I remember struggling over my spelling. My mother would go through the drill of asking me to spell this word or that word. Our family wasn't well-to-do at all, and yet my mother knew that in America everything was possible, including the hope that one day a son of hers would get a hundred percent on a spelling test.

Seriously, though, I think that much of our country's progress can be traced back to parents who made certain their kids learned the fundamentals. For many of you, this may be your first visit to the Nation's Capital. Well, all the people you see working in government are doing their best to turn over to you, the next generation of Americans, an opportunity-filled land, a country where you can go as far as your hard work and your natural talents will carry you. And every time a group of bright young people like yourselves comes here, it makes everything seem worthwhile.

Legend tells us that early in the last century, a young man from Illinois taught himself how to write, scratching out words on a wooden shovel. He was poor, he couldn't afford paper and pen. He later went on to be a lawyer, a Congressman, and then President of the United States. He was a true champion of freedom. And his name, of course, was Abraham Lincoln. Had he not put forth that effort, studied there by the fireplace, our country would have been

denied the leadership that he provided. I hope when you get back to your schools in various parts of the country you carry that message to all of us and that all of us are counting on America's young people.

America will reach its potential only if you and other young people are willing to strive to reach your potential. And after meeting you today, I happen to think there's every reason to have confidence in the future. So, congratulations again to all of you. Thank you for coming for this visit. God bless you all.

Now, Jon, it's my pleasure to present the trophy to you.

*Mr. Pennington.* Thank you—and for you, Mr. President.

*The President.* Well, thank you very much. I can use this, too. [*Laughter*]

*Note: The President spoke at 12:57 p.m. in the Rose Garden at the White House. The National Spelling Bee was sponsored by the Scripps-Howard News Service. Jon Pennington gave the President a copy of a book entitled "Words of the Champions."*

## Remarks to Members of the American Tort Reform Association May 30, 1986

It's an honor to be here today with the members of the American Tort Reform Association. You know, we'd originally planned to meet across the street in the White House, but it turned out there was so much interest, we had to find a bigger hall. And many thanks to the U.S. Chamber of Commerce and the chamber president, Dick Leshner, for permitting us to come here. Now, I know that you've already heard from the Attorney General and the Secretary of Commerce and a number of others, so I'll try to keep my own remarks brief. Given the subject, I wouldn't want anyone to mistake me for a lawyer. [*Laughter*]

But looking out, I can see what a diverse group we make up—from Boy Scouts to businessmen, from campers to child-care workers. This is an all-American event, because this problem affects all of America—every man, woman, and child. Originally, of course, tort law protected innocent people against wrongful damage or injury. Rooted in the Middle Ages, tort law became especially important at the onset of the Industrial Revolution, when ordinary men and women began to find themselves presented with services and products they'd never before encountered. By providing consumers with a measure of protection, tort law enabled them to enter this new marketplace with a certain confidence and ease.

Back in the days when toothpaste was a newfangled invention, for example, consumers could purchase it with a much greater sense of assurance when they knew that, because of tort law, the manufacturers had to take all reasonable steps to make certain that the product was both effective and safe.

Maybe some of you'll remember a passage in "Huckleberry Finn" that deals with this very subject. Huck met a swindler who told him that: "I'd been selling an article to take the tartar off the teeth, and it does take it off, too, and generally the enamel along with it." [*Laughter*] Twain never mentions tort law, but it is there in the background, the force that kept this character in the book constantly on the run up and down the Mississippi. And in the real world it was, in large part, tort law that reduced such swindlers from an actual presence in our economic life to figures that we remember with laughter.

So, over the years, tort law has helped us drive the malevolent and the negligent out of the marketplace. This, in turn, has permitted legitimate economic innovation to take its course and raise living standards throughout the Nation. More recently, however, tort law began to go terribly wrong. Twisted and abused, tort law has become a pretext for outrageous legal outcomes—outcomes that impede our economic life, not

promote it. Listen to just a few cases, and I hope I won't be repeating some that maybe have already been told to you.

In California, a man was using a public telephone booth to place a call. An alleged drunk driver careened down the street, lost control of her car, and crashed into the phone booth. Now, it's no surprise that the injured man sued. But you might be startled to hear whom he sued: the telephone company and associated firms. That's right, according to Chief Justice Rose Bird of the California Supreme Court, a jury could find that the companies responsible for the design, location, installation, and maintenance of the telephone booth were liable. In another case, suit was brought by a man who suffered a heart attack while having some trouble starting a lawnmower. He claimed that pulling the starter rope was the cause of the attack. His award? More than a million dollars.

I suppose all this might be amusing if such absurd results only took place occasionally. Yet today they have become all but commonplace. In the past two decades the number of awards involving a million dollars or more has climbed from just 1 a year to more than 400 a year. Between 1975 and 1985, the average award in a product liability case more than quadrupled, to some \$1.8 million. During the same period, the average medical malpractice verdict—I said average—went up more than 350 percent, to over a million dollars. This expansion of tort liability penalizes virtually every American—manufacturers, doctors, small businessmen, government at all levels, nonprofit organizations, entrepreneurs, and perhaps most severely, the consumer. Again, listen to a few more cases.

On one of the Hawaiian islands, all the doctors on that island who had once delivered babies have stopped doing so because their malpractice premiums were outstripping their fees; pregnant women must now travel elsewhere, to another island, for their needs. In 1984 Connaught Laboratories discontinued distribution of an important vaccine for children because it could not obtain liability insurance. It later succeeded in doing so, but only at a very high cost. As a result, in just 3 years the cost of this vaccine rose from 11 cents per dose to \$4.50. Hun-

dreds of American cities and towns find themselves unable to afford basic liability coverage. The city of Blue Lake, California, has been forced to shut its skating rink, tennis court, and parks. And at New York's famous Coney Island Amusement Park, they've had to close the roller coaster.

Even everyday items contain hidden costs that arise from the expansion of tort liability. It's been estimated, for example, that 20 percent of the cost of an ordinary stepladder goes to pay for liability insurance, lawyers, and related costs. And because the Boy Scouts of America have been forced to increase their insurance coverage, it's feared that every Boy Scout and Cub Scout troop may have to be assessed some \$20—not an insignificant sum in the underprivileged neighborhoods that perhaps need the Boy Scouts most. These problems have begun to eat away at the fabric of American life. My friends, I think you will agree: There's still such a thing as common sense, and this ain't it! The time has come for action.

Earlier this year I endorsed the report of my Domestic Policy Council's Tort Policy Working Group. This report contains a number of recommendations, recommendations that include fixed-dollar limitations for certain kinds of awards and the establishment of assurances that liability judgments go to those actually wronged or injured and not to the lining of their attorney's pockets. Now, one of the report's most important recommendations urged our administration to submit reform legislation to the Congress.

This legislation, carefully drafted, has now been introduced in the Congress by Senator Robert Kasten and Congressman Hamilton Fish. It restores the fault standard, which requires that actual fault or wrongdoing must be established in most cases before liability can be assessed. It limits pain-and-suffering and punitive damage awards, awards the amount contingency-fee lawyers could earn, and restricts the joint and several liability doctrine that can force a single defendant to pay all damages even if he is only partly to blame. To be sure, much tort law would remain to be reformed by the 50 States, not the Federal Government. And in

our Federal system of government this is only right. Many of the Tort Policy Working Group recommendations, for example, would have to be implemented at the State level to be fully effective. This administration's bill represents a much-needed overhaul of Federal laws governing interstate commerce—one of the fields of authority the Federal Government is specifically granted by the Constitution—and sets an example of common sense for the rest of the Nation to follow.

Many here have been following this issue closely. Indeed, there are stalwarts in this hall who have been out front since the beginning, and I'm grateful for your support. Now I ask you to join me in urging the Congress to pass this bill and to do so with dispatch. I said at the outset that tort law is a practical matter that affects us all, but in making the case for reform I find that I may have had to be a little more technical than I intended.

Maybe with the Boy Scouts' help I can bring it all back down to Earth. Boy Scouts know a code by heart, a list of characteristics that they promise they will try to live up to; and the first word on that list is "trustworthy." A scout is trustworthy. That's really what tort reform comes down to—asking our fellow citizens to be trustworthy. It means writing laws that tell all those who provide us with goods and services that we expect them to pay attention to their work and to do a good job. But it also means eliminating legal constraints that place upon these same people undue burdens. Trustworthiness, my friends—let us make this our ideal, and let's see to it that our laws reflect that ideal for the good of all.

Thank you all for your patience and for being here, and God bless you all.

*Note: The President spoke at 1:23 p.m. at the Chamber of Commerce of the United States.*

## **Appointment of James Berry Hill as a Member of the Cultural Property Advisory Committee**

***May 30, 1986***

The President today announced his intention to appoint James Berry Hill to be a member of the Cultural Property Advisory Committee for a term of 2 years. This is a reappointment.

Since 1968 Mr. Hill has been the president and director of Berry-Hill Galleries, Inc., in New York City. Mr. Hill is also a member of the National Antiques and Art Dealers Association of America and at one

time served as secretary and director of the association. He also is a consultant to several major American art collections and museums, and he frequently lectures on American art, specifically American impressionism and the art market.

Mr. Hill graduated from Cornell University (A.B., 1967). He is married, has two children, and resides in New York, NY. Mr. Hill was born June 24, 1945, in New York, NY.

## **Message to the Senate Transmitting the Bangladesh-United States Investment Treaty**

***May 30, 1986***

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I trans-

mit herewith the Treaty between the United States of America and the People's Republic of Bangladesh concerning the Re-

ciprocal Encouragement and Protection of Investment, with Protocol and exchange of letters, signed at Washington on March 12, 1986. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

The Bilateral Investment Treaty (BIT) program, initiated in 1981, is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Bangladesh and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanisms to promote global eco-

nomic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol and exchange of letters, at an early date.

RONALD REAGAN

The White House,  
May 30, 1986.

## **Statement by Principal Deputy Press Secretary Speakes on Illegal Drug Trafficking Between Mexico and the United States**

*May 30, 1986*

Drug-related corruption is a serious problem in Mexico, as it is in every drug producing, transiting, and consuming nation. The Government of Mexico shares our concern about the corruption and also shares our belief that the problem is best countered by coordinated efforts to eliminate the evils associated with the drug trade.

The Mexican and U.S. Governments have been engaged for many years in joint efforts to reduce drug production in Mexico. We have had considerable success in the past. However, we have been concerned about recent increases in drug production and transshipment. Accordingly, we are increasing our efforts to improve U.S.-Mexican cooperation to meet the challenges posed by powerful and wealthy international drug traffickers. The Mexican drug eradication program has become more effective, and there is a closer coordination between

U.S. and Mexican authorities in investigating major traffickers and their organizations.

The Mexican Government is committed to overcoming the obstacles and achieving success in its antinarcotics programs. It has affirmed its commitment to investigate and prosecute any persons involved in drug trafficking or corruption, regardless of their position in the government or society. And we are resolved to continue working closely in a responsible manner with President De la Madrid and his administration to combat drug trafficking in Mexico. The meetings between Attorney General Meese and Mexican Attorney General Garcia have been particularly useful in strengthening our joint antinarcotics efforts. These meetings have been frank and productive. We intend to continue our joint efforts to eliminate the scourge of international drug trafficking.



Proclamation 5496—National Neighborhood Housing Services  
Week, 1986  
May 30, 1986

*By the President of the United States  
of America*

*A Proclamation*

America's neighborhoods are made up of families representing a great variety of ethnic, social, and economic backgrounds. From this rich mix of cultures and experiences, a strong sense of cooperation and commitment has emerged that enhances our sense of the Nation as a larger family of people caring for one another. As we complete our preparations for the national celebration of the centennial of the Statue of Liberty this July 4, we are made even more aware of the special blessings, the strengths, and the virtues that flow from our long heritage of welcoming and drawing on the experiences of people from diverse backgrounds to make our free society ever more dynamic, cohesive, and productive.

When any neighborhood suffers from decline due to loss of business or other factors, all of its residents feel the pinch, but the elderly and the poor suffer most. Homes decline in value, economic growth stops, businesses relocate, and residents face real hardships. The Nation as a whole suffers, since thriving neighborhoods are the living cells of our national life. That is why it is so important to arrest the deterioration and revive the strength and vigor of America's neighborhoods.

Traditionally, Americans have recognized such problems and have worked together to develop practical solutions at the grass-roots level. Neighborhood Housing Services programs, which are partnerships made up of local residents, business leaders, and government officials, reflect this spirit and give scope to the ingenuity of the American people. Throughout the United States, Neighborhood Housing Services programs

are working to revitalize more than 200 neighborhoods. Already, they have generated more than three billion dollars in reinvestment funds. Rather than looking to the Federal government for assistance, these programs have relied primarily on local and private resources and the help of hundreds of volunteers. These volunteers have contributed countless hours of work to help rebuild and revitalize neighborhoods.

The efforts and accomplishments of Neighborhood Housing Services programs have earned the respect and gratitude of all who recognize that local initiatives and self-reliance will always be the major factor in solving local problems. It is fitting and appropriate that their efforts be recognized by all Americans.

The Congress, by House Joint Resolution 492, has designated the week beginning June 1, 1986, as "National Neighborhood Housing Services Week" and authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning June 1, 1986, as National Neighborhood Housing Services Week. I call upon local and State jurisdictions, appropriate Federal agencies, and the people of the United States to observe this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this thirtieth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:09 a.m., June 2, 1986]*

## Proclamation 5497—National Theatre Week, 1986 May 30, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Theatre is an ancient and honored art form with a recorded history spanning 2,500 years. Some have speculated that its roots go so deep in human nature and human experience that it may well be the wellspring of all the arts. We do know that poetry, story-telling, dance, music, masks, costumes, and sets all have a place in what we have come to call "theatre." These elements can be found in the performances of primitive tribes and the most sophisticated modern productions. In fact we see the impulse to theatre in every child who has ever played "let's pretend" or "make believe."

Theatre lets us stand apart from the flow of life: to feel pity and understanding and empathy; to smile at human foibles and to weep at human tragedies. Theatre is an art form for all seasons and all moods. It can refresh our spirits with comic hijinks, dazzle us with the splendor of pageantry, and impart rich insights into human relationships. It can convulse us into gales of laughter, wring our hearts with pathos, and dramatize eternal moral truths. In the works of such giants as Shakespeare, Goethe, Moliere, and O'Neill it can do all these things.

In one respect theatre is an art of the present moment—once performed it is gone, save in the memory of the audience. Yet new productions and performances give it a kind of ever-renewed immortality. It can put us in touch with the culture, conditions, and viewpoints of many civilizations. Indeed, theatre is at once a reminder and an affirmation of the continuity of civilization and the fundamental unity of all mankind.

That continuity is manifested not only in performances of plays of the past, but also

in the attempts of modern artists to give voice to the conditions and experiences of our own time. These efforts, in turn, will enrich the legacy we will leave to future generations.

Today, theatre exists not only in the traditional cultural centers of our country but all across the land. Theatre at all levels—professional, community, and school—has sprung up in every region of our country. There is no greater testimony to mankind's need for theatre than this. Today we are experiencing a renaissance of the living theatre, with great gains in artistic excellence, in aesthetic variety and diversity of cultural voices—and in growing and loyal audiences throughout America.

In recognition of the importance of theatre in the lives of all Americans, the Congress, by Senate Joint Resolution 247, has authorized the President to proclaim the week of June 1 through June 7, 1986, as "National Theatre Week."

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning June 1, 1986, as National Theatre Week. I encourage the people of the United States to observe this month with appropriate ceremonies, performances, programs, and activities.*

*In Witness Whereof, I have hereunto set my hand this thirtieth day of May, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:10 a.m., June 2, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on May 31.*

## Radio Address to the Nation on Terrorism *May 31, 1986*

### *My fellow Americans:*

History is likely to record that 1986 was the year when the world, at long last, came to grips with the plague of terrorism. For too long, the world was paralyzed by the argument that terrorism could not be stopped until the grievances of terrorists were addressed. The complicated and heartrending issues that perplex mankind are no excuse for violent, inhumane attacks, nor do they excuse not taking aggressive action against those who deliberately slaughter innocent people.

In our world there are innumerable groups and organizations with grievances, some justified, some not. Only a tiny fraction has been ruthless enough to try to achieve their ends through vicious and cowardly acts of violence upon unarmed victims. Perversely, it is often the terrorists themselves who prevent peacefully negotiated solutions. So, perhaps the first step in solving some of these fundamental challenges in getting to the root cause of conflict is to declare that terrorism is not an acceptable alternative and will not be tolerated.

Effective antiterrorist action has also been thwarted by the claim that—as the quip goes—“One man’s terrorist is another man’s freedom fighter.” That’s a catchy phrase, but also misleading. Freedom fighters do not need to terrorize a population into submission. Freedom fighters target the military forces and the organized instruments of repression keeping dictatorial regimes in power. Freedom fighters struggle to liberate their citizens from oppression and to establish a form of government that reflects the will of the people. Now, this is not to say that those who are fighting for freedom are perfect or that we should ignore problems arising from passion and conflict. Nevertheless, one has to be blind, ignorant, or simply unwilling to see the truth if he or she is unable to distinguish between those I just described and terrorists. Terrorists intentionally kill or maim unarmed civilians, often women and children,

often third parties who are not in any way part of a dictatorial regime. Terrorists are always the enemies of democracy. Luckily, the world is shaking free from its lethargy and moving forward to stop the bloodshed.

Nearly a month ago in Tokyo, the leaders of the major Western democracies hammered out an agreement on tough measures to eradicate this evil. Ironically the progress made in Tokyo is now imperiled by a lack of consistent support at home. For nearly a year now a handful of United States Senators have held up approval of a supplementary extradition treaty between the United States and the United Kingdom. This agreement, when ratified, would prevent terrorists who have kidnaped, killed, or maimed people in Britain from finding refuge in our country. Today these killers are able to do just that by labeling their vile acts as political. Well, in Tokyo the democracies declared there is no political or any other justification for terrorist acts and those who commit them should be brought to justice. The world is watching. If actions by a few Senators allow terrorists to find safe haven in the United States, then there will be irreparable damage. Refusal to approve the supplementary treaty would undermine our ability to pressure other countries to extradite terrorists who have murdered our citizens. And rejection of this treaty would be an affront to British Prime Minister Margaret Thatcher, one European leader who, at great political risk, stood shoulder to shoulder with us during our operations against Qadhafi’s terrorism.

Some members of the Senate Foreign Relations Committee have gone so far as to prepare a substitute treaty permitting those who have murdered British policemen and soldiers, for so-called political reasons, to avoid extradition. Well, this substitute is not a compromise; it’s retreat. Its passage would be a victory for terrorism and a defeat for all we’ve been trying to do to stop this evil. One concern about the treaty is that it may set a precedent for other treaties, which will then be used against those who simply

oppose totalitarian regimes. We can never permit that to happen. Our country will always remain the beacon of hope and freedom to all oppressed peoples.

I therefore urge the Senate to promptly approve the revised treaty and reinforce the momentum building against terrorism. With good sense, courage, and international cooperation, our struggle against terrorism

will be won. And the United States will lead the way into a freer and more peaceful tomorrow.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## Nomination of Lawrence B. Gibbs To Be Commissioner of Internal Revenue

*June 2, 1986*

The President today announced his intention to nominate Lawrence B. Gibbs to be Commissioner of Internal Revenue, Department of the Treasury. He would succeed Roscoe L. Egger, Jr.

Since 1976 Mr. Gibbs has been a partner with the law firm of Johnson & Swanson in Dallas, TX. Previously, he was with the Internal Revenue Service as Assistant Commissioner (Technical), 1973–1975, and as

Deputy Chief Counsel and Acting Chief Counsel, 1972–1973. He was with Branscomb, Gary, Thomasson & Hall in Corpus Christi, TX, 1963–1972.

Mr. Gibbs graduated from Yale University (B.A., 1960) and the University of Texas School of Law at Austin (J.D., 1963). He is married, has two children, and resides in Dallas, TX. Mr. Gibbs was born on August 31, 1938, in Hutchinson, KS.

## Nomination of Michael R. Darby To Be an Assistant Secretary of the Treasury

*June 2, 1986*

The President today announced his intention to nominate Michael R. Darby to be an Assistant Secretary of the Treasury (Economic Policy). He would succeed Manuel H. Johnson, Jr.

Since 1978 Dr. Darby has been a professor of economics at the University of California at Los Angeles; an associate professor, 1973–1978; and a visiting assistant professor, 1972–1973. Previously, he was at Ohio

State University in the department of economics as an assistant professor, 1970–1973; and director of the division for economic research, 1971–1972.

Dr. Darby graduated from Dartmouth College (A.B., 1967) and the University of Chicago (M.A., 1968; Ph.D., 1970). He is married, has two children, and resides in Woodland Hills, CA. Dr. Darby was born November 24, 1945, in Dallas, TX.

## Appointment of Alfred Balitzer as a Member of the National Graduate Fellows Program Fellowship Board

*June 2, 1986*

The President today announced his intention to appoint Alfred Balitzer to be a member of the National Graduate Fellows Program Fellowship Board for a term of 6 years. This is a new position.

Since 1971 Dr. Balitzer has been a professor at Claremont McKenna College and with the Claremont graduate school since 1973. Previously he was a part-time teacher

at California State University in Los Angeles, 1967–1971.

Dr. Balitzer graduated from Los Angeles City College (A.A., 1961), California State at Los Angeles (B.A., 1963), University of Chicago (M.A., 1967), and Claremont graduate school (Ph.D., 1971). He resides in Claremont, CA, and was born March 13, 1941, in Los Angeles, CA.

## Remarks at a White House Presentation Ceremony for the President's Volunteer Action Awards

*June 2, 1986*

It's an honor for Nancy and me to welcome you to the White House. And at this point, it's my job to say a few words about voluntarism. Now, imagine that—[*laughter*—talking to this audience about voluntarism. It makes me think of a gentleman who, in his later life, was the only living survivor of the Johnstown flood. And when his time came to meet his maker, he went to heaven. But in his later years—he had been on the mashed-potato circuit, quite busily in demand as a speaker and lecturer to tell about these experiences with the flood. St. Peter said to him, "You know, when newcomers are up here, there are a lot of people that would like to hear about things that have been happening down below and since their departure, and do you have?"—"Oh," he said, "Yes." And he told him about his experience and, yes, he'd be very happy to speak. So, they gathered them. And St. Peter brought him over there, introduced him very graciously, and then, as he stepped back from the podium and the gentleman—the newcomer stepped up—he whispered to him, "That man in the aisle seat, second row, is named Noah." [*Laughter*]

Well, I may not be able to tell you much about voluntarism that you don't already know, but it's appropriate for us to gather

today in a spirit of celebration and reflect upon the goodness of the American people and their willingness to give each other a helping hand. The spirit of voluntarism is deeply ingrained in us as a nation. Indeed, when asked by pollsters, most Americans state their belief that no matter how big government gets and no matter how many services it provides, it can never take the place of volunteers. In other words, the American people understand that there are no substitutes for gifts of service given from the heart.

In the past few years, moreover, we've witnessed an unprecedented outpouring of the volunteer spirit—a reassertion of good will and neighborliness. Last year alone, individuals, corporations, bequests, and foundations gave nearly \$80 billion to good causes; and that is an all-time record high in our country. Now, according to polls—and I know this includes people in this room—some 92 million Americans, more than a third of our entire population, perform volunteer work year-in and year-out. And I just have to believe that we're entitled to feel pretty good about that.

You can see these volunteer efforts, these private sector initiatives, all around. Hands Across America last week represented a

dramatic, national effort to help the poor and homeless who live in our midst. Just Say No is a largely volunteer organization teaching children around the world to say no to drugs. And a week and a half ago Nancy hosted a Just Say No rally here at the White House. It was one of those small affairs that she likes so much—[laughter]—there couldn't have been more than 2,300 kids here. [Laughter] But although Just Say No requires school officials, teachers, and especially parents to give up a great deal of their time, Nancy told me that everyone that she spoke to at the rally was convinced that it was not only worth it but of vital importance for the future.

Then there are the volunteer efforts in which each of you is involved. You're champion givers, all of you, people of heart and selflessness, examples for the entire Nation. I don't want to—you know, just looking at that note there, I've been scared to death until I finally got it out—how easy it would have been to just glance down and then say "selfishness" instead of "selflessness."

But I don't want to go into what each of you has done before we present the awards, but I am, if you don't mind, eager to say a word to Mr. and Mrs. Gilbert Laake. The Laakes operate an American Red Cross mobile administrative supply unit. It's an 18-wheel tractor-trailer. Last year they spent 126 days away from home assisting with disaster relief. And I had to tell that. I just can't resist, because I just want to say,

"Keep on truckin'." [Laughter]

But all of you have our deepest thanks and admiration. I can think of nothing finer to say about our country than that it has produced men and women like you—true heroes of the heart. God bless you.

And now, if Governor Romney and Donna Alvarado—she is Director of ACTION, and he is chairman of the board of VOLUNTEER—and if they will come up here and assist my roommate and me in handing out the medals. [Laughter]

*Note: The President spoke at 1:11 p.m. in the East Room at the White House. The 1986 award recipients included the Oregon Shakespearean Festival Association, Ashland, OR; the Boys Choir of Harlem, New York, NY; Carol Sasaki, Pullman, WA; Kimi Gray, Washington, DC; Raymond J. Moore, Tampa, FL; Jerome H. Stone, Chicago, IL; Operation Santa Claus, Sacramento, CA; Anthony Barracca, Apopka, FL; Gloria Allred, Los Angeles, CA; Heifer Project International, Little Rock, AR; Aid Association for Lutherans, Appleton, WI; The Volunteer Connection, Dallas, TX; L.I.A.I.S.O.N., Inc., New Hyde Park, NY; Gilbert and Madeline Laake, Bellevue, KY; Louis Leeder, Brooklyn, NY; National Association of Letter Carriers, Washington, DC; the Mutual Benefit Companies, Kansas City, MO; Chesapeake and Potomac Telephone of West Virginia, Charleston, WV; and Security Pacific National Bank, Los Angeles, CA.*

## Message to the Senate Transmitting the Egypt-United States Investment Treaty

June 2, 1986

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Arab Republic of Egypt concerning the Reciprocal Encouragement and Protection of Investments, signed at Washington September 29, 1982; with a related exchange of letters

signed March 11, 1985; and a supplementary protocol signed March 11, 1986. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

The Bilateral Investment Treaty (BIT) program, initiated in 1981, is designed to encourage and protect U.S. investment in developing countries. The treaty is an inte-

gral part of U.S. efforts to encourage Egypt and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondis-

crimatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with related exchange of letters and supplementary protocol, at an early date.

RONALD REAGAN

The White House,  
June 2, 1986.

## Remarks and an Informal Exchange With Reporters on the United States Arms Sale to Saudi Arabia June 3, 1986

*The President.* Well, the week before last, as you all know, I vetoed a joint resolution which would have prevented the sale of defensive missiles to Saudi Arabia. And I understand the vote on my veto is scheduled in the Senate for this Thursday at 2 o'clock. And I'd like to stress once again how important I feel it is for you to sustain my veto.

I want all of you to understand that this vote will have a profound effect upon our relations with the Arab world, not just with Saudi Arabia. If the veto isn't sustained, it'll seriously undermine our foreign policy objectives throughout the region. A sale is, clearly and without question, in the interest of the United States. It's quite simply necessary and indispensable to the execution of our foreign policy. And I'm counting on you in the Senate for your support. Most people don't seem to be aware or stop to think about that we've had a relationship for more than 40 years, a sound and mutual security relationship with Saudi Arabia. And it's been of great benefit to us as well as to them.

So, that is for openers here, and I'll now pause while our friends—

*Q.* Do you think you'll get it, Mr. President? [*Laughter*]

*The President.* Well, Helen [Helen Thomas, United Press International], you've just heard my impassioned plea here.

*Q.* I heard your plea, but I wonder what your head count is?

*Q.* Have you found the 34th vote yet, sir?

*The President.* I'm not going to comment. I'm just superstitious about that sort of thing.

*Q.* What do you think of their TV performance?

*Senator Dole.* Fabulous. [*Laughter*]

*Q.* Did you give them any tips?

*The President.* Oh, it's probably going to beat the "Wheel of Fortune." [*Laughter*]

*Q.* Mr. President, do you think that members of the press should be prosecuted for security leaks as [CIA Director] Mr. Casey has suggested?

*The President.* It isn't a case of what we may think or not. There is a law that was passed—I believe it was 1954—that's very specific—not just about the media, it's about anyone who makes public information which can be dangerous to our national security. And I would think that all of us are bound by that law.

*Note: The President spoke at 9:34 a.m. in the Cabinet Room at the White House, prior*

*to a meeting with the Republican congressional leadership. Robert Dole was the Senate majority leader. Helen Thomas re-*

*ferred to the first day of television coverage of the Senate proceedings.*

## **Nomination of William R. Graham To Be Director of the Office of Science and Technology Policy and Science Adviser to the President**

*June 3, 1986*

The President today announced his intention to nominate William R. Graham to be Director of the Office of Science and Technology Policy, and he will also serve as Science Adviser to the President. He would succeed George A. Keyworth II.

Since earlier this year, Dr. Graham has been serving as Deputy Administrator of the National Aeronautics and Space Administration. In 1971 Dr. Graham cofounded R&D Associates in Marina Del Rey, CA. Previously, he was a member of the technical staff in the physics department at the Rand Corp., 1965-1971; project officer at the U.S. Air Force Weapons Laboratory, Kirtland Air Force Base in Albuquerque, NM, 1962-1965; and a member of the tech-

nical staff at Hughes Aircraft Corporation Research Laboratory, 1961-1962. Dr. Graham has served as Chairman, President's General Advisory Committee on Arms Control and Disarmament; as a member, Defense Nuclear Agency Scientific Advisory Group; and as a consultant, United States-United Kingdom Joint Working Group on Atomic Weapons. He also consulted on other joint programs with United States allies.

Dr. Graham graduated from California Institute of Technology (B.S., 1959) and Stanford University (M.S., 1961 and Ph.D., 1963). He is married, has two children, and resides in McLean, VA. Dr. Graham was born June 15, 1937, in San Antonio, TX.

## **Nomination of Sandra Brown Armstrong To Be a Commissioner of the United States Parole Commission**

*June 3, 1986*

The President today announced his intention to nominate Sandra Brown Armstrong to be a Commissioner of the United States Parole Commission for a term of 6 years. She would succeed Helen G. Corrothers.

Since 1984 Mrs. Armstrong has been a Commissioner of the Consumer Product Safety Commission, and she was a Vice Chairman, 1984-1985. She was a trial attorney, Justice Department, Public Integrity Section, 1982-1984; deputy district attor-

ney, Alameda County district attorney's office, 1980-1982 and 1977-1979; and a senior consultant, California Assembly Committee on Criminal Justice, 1979-1981.

Mrs. Armstrong graduated from California State University at Fresno (B.A., 1969) and the University of San Francisco School of Law (J.D., 1977). She is married, has two children, and resides in Alexandria, VA. Mrs. Armstrong was born March 23, 1947, in Oakland, CA.



## **Nomination of Robert W. Beuley To Be Inspector General of the Department of Agriculture**

*June 3, 1986*

The President today announced his intention to nominate Robert W. Beuley to be Inspector General, Department of Agriculture. He would succeed John V. Graziano.

Since 1985 Mr. Beuley has been Deputy Inspector General at the Department of Agriculture. Previously, he was with the Department of the Interior as Acting Inspector General, December 1984 to September 1985; Assistant Inspector General for Auditing, January 1981 to December 1984; Assistant Inspector General for Auditing (AIGA), 1980–1981; Assistant Director, Departmentwide Financial, Administrative

and ADP Division, Office of Inspector General, U.S. Department of Commerce, 1978–1980; Acting Director, Headquarters Audit Division, Office of Inspector General, U.S. Department of Agriculture, April 1978 to October 1978; and Acting Deputy Director, Office of Audit, U.S. Department of Agriculture, 1977–1978.

Mr. Beuley graduated from Duquesne University (B.S., 1961) and Shippensburg State College (M.B.A., 1971). He is married, has three children, and resides in Woodbridge, VA. Mr. Beuley was born June 17, 1939, in Steubenville, OH.

## **Nomination of James E. Colvard To Be Deputy Director of the Office of Personnel Management**

*June 3, 1986*

The President today announced his intention to nominate James E. Colvard to be Deputy Director of the Office of Personnel Management. He would succeed Loretta Cornelius.

Since 1985 Dr. Colvard has been Director, Civilian Personnel Policy, Department of the Navy. He was Deputy Chief, Naval Material Command, in Washington, DC, 1980–1985. He was affiliated with the Naval Weapons Laboratory in Dahlgren, VA, where he managed the Navy's electronic

warfare research and development program, 1969–1971; and served as Technical Director of the Laboratory, 1973; and also served as Technical Director of the Naval Surface Weapons Center, 1974.

Dr. Colvard graduated from Berea College (B.A., 1958), the University of Oklahoma (M.A., 1973), and the University of Southern California (Ph.D., 1982). He is married, has one child, and resides in King George, VA. Dr. Colvard was born March 16, 1932, in Robbinsville, NC.

## **Nomination of Ronald F. Docksai To Be an Assistant Secretary of Health and Human Services**

*June 3, 1986*

The President today announced his intention to nominate Ronald F. Docksai to be an Assistant Secretary of Health and Human Services (Legislation). He would succeed John F. Scruggs.

Since 1983 Dr. Docksai has been majority staff director, Senate Committee on Labor and Human Resources. He was special assistant to the Director, Office of Personnel Management, May to December 1982; ma-

jority health director, 1980–1982, and legislative counsel for health policy, 1977–1980, for Sen. Orrin G. Hatch; executive assistant to Repr. Robert Dornan, 1976–1977, chief legislative aide to Repr. Robert E. Bauman, 1973–1976; and graduate assistant professor of government, Georgetown University,

1972–1973.

Dr. Docksai graduated from St. John's University (B.A., 1970), New York University (M.A., 1975), and Georgetown University (Ph.D., 1986). He is married, has one child, and resides in Vienna, VA. Dr. Docksai was born July 17, 1949, in New York City.

## Message to the Congress on the Strategic Modernization Program *June 3, 1986*

### *To the Congress of the United States:*

On May 15 I wrote to the leadership of the Congress to express my deep concern regarding the large reductions in our defense program proposed by the House Budget Committee. In my letter I made it clear that these huge reductions would have a severe impact on our national security, and I stated my intent to work with the Congress—both Senate and House—to protect those programs most vital to our national security, including our Strategic Modernization Program.

The extraordinary events of this year's congressional review of my defense proposal and the extreme sensitivity of international events compel me to restate to the Congress, and to the American people, my intention and rationale for protecting those few high-priority programs that form the very foundations of our Nation's security in this troubled world.

Almost five years ago, in October 1981, I announced a balanced and coherent program for rebuilding America's strategic forces. That five-part modernization program was designed to redress the growing strategic imbalance between the United States and the Soviet Union, to strengthen and modernize the U.S. forces that have deterred nuclear war for almost 40 years, and to pave the way for meaningful arms control negotiations aimed at significantly reducing the existing nuclear arsenals of both the United States and the Soviet Union.

These past five years have been a cooperative effort. With a few exceptions, the Congress has supported our five-part pro-

gram. Because we have worked together we have achieved results in which we can all take pride. With the stability provided by the Congress, our programs have been well managed and have cost less than we planned in almost all cases.

Our modernization program has also achieved many of the military and political results we expected. Deterrence has been strengthened, and we are stronger and more able to defend the values we hold dear. Our determined progress has been understood by the Soviets, and, as predicted, they have returned to the negotiation table in Geneva.

As our negotiators in Geneva seek equitable and verifiable agreements, they are mindful that we have no more urgent task in preserving peace and freedom than the deterrence of nuclear confrontation or war. The strategic programs now before the Congress represent a vital foundation to this search for a more stable peace. They are designed to restore and strengthen our traditional approach to deterrence, while we seek new research initiatives to harness rapidly advancing technologies in order to provide for a safer world.

We must also always remember that maintaining a strong nuclear deterrent does much more than prevent nuclear war. Strong U.S. nuclear forces also contribute significantly to deterring aggression with conventional forces. In calculating what they call "the correlation of forces," the Soviet political and military leadership are ever mindful of the state of the nuclear balance between the United States and the Soviet Union. As a result, a strong U.S. stra-

tegic deterrent decreases the threat of any Soviet aggression and serves as the vital background that discourages Soviet attack—nuclear or conventional—upon us, our allies, or our interests abroad. Any weakening of our nuclear deterrent, leaving the Soviet Union with superior nuclear forces, could have the opposite effect. It could invite the Soviet Union to rely on such an advantage. Our strategic programs provide, therefore, a beneficial effect that far outweighs the less than 15 percent of the defense budget they consume. They are affordable—they are vital.

The Congress will recall that this Nation entered the 1980s after a decade of restraint in the modernization of our nuclear forces unmatched by the Soviet Union. Facing an increasingly capable Soviet force, all three legs of our own strategic Triad badly needed modernization: Our forces were becoming obsolescent and increasingly were losing both their military effectiveness and survivability in the face of steadily improving Soviet capabilities. Additionally, and perhaps most importantly, the essential command, control, and communications networks that undergird our forces had grown fragile and susceptible to Soviet disruption.

This loss in survivability of U.S. strategic forces, coupled with the magnitude of the Soviet buildup, had begun to erode seriously the stability of the strategic balance between the United States and the Soviet Union. The five-part Strategic Modernization Program I submitted to the Congress in October 1981 was designed to address all these dangerous deficiencies.

Over the past five years, with the support and cooperation of the Congress, we have made substantial progress in strengthening our deterrent capabilities:

- We have made major strides in upgrading our warning sensors by modernizing the Thule Ballistic Missile Early Warning (BMEWS) radar, by improving the capabilities of the existing Pave Paws radars, and constructing two new ones to fill gaps in coverage—all in compliance with the ABM Treaty. Also by deploying a series of mobile ground terminals, we are strengthening the command and control network.

We have further strengthened presidential control of our forces by a number of measures including continued deployment of the Defense Satellite Communication System (DSCS) III, and by fielding the Jam Resistant Secure Communications system.

- Through cooperation with the Congress we have improved and stabilized the Trident submarine construction program by ensuring the continued production of one of these new strategic submarines per year.

- Our two-bomber program has progressed successfully. The B-1B is being produced on schedule and within our cost estimates. Our low observables research program over these past five years has proven that stealth works far better than anyone would have believed possible five years ago. Our program has also removed much of the risk we faced when we first began what has become the most revolutionary development in military aviation since World War II. Accordingly, our Advanced Technology Bomber and Advanced Cruise Missiles will be able to penetrate improved Soviet defenses for the foreseeable future. The effectiveness of our aging B-52s has been extended by equipping them with air-launched cruise missiles.

- The Peacekeeper ICBM has had a near-flawless development cycle, and the first of these badly needed missiles will begin standing alert later this year.

- Additionally—and in my view most significantly for the long-term safety of America and stable world peace—we have launched the Strategic Defense Initiative program and are even now deeply engaged in researching how we might be able to employ our technical genius to eliminate one day the threat of nuclear ballistic missiles.

We can be justifiably proud of what we have accomplished by working together, but the task is far from finished. While recognizing the progress just listed, we must be clear that the advanced systems that have been proceeding through intensive development programs during the past five years are only now at the critical stage of deployment. Those unfamiliar with the sequence of research, development, and deployment all too often assume that our com-

mitment to build a new system results in its immediate deployment. This error may explain the view held by some that we have now spent enough on restoring our strategic capabilities and that we can begin to cut those programs significantly. In fact, the real benefits of our strategic modernization efforts will be realized only if we complete the tasks that we have begun with the research and development phase. To stretch or disrupt these programs now would only endanger deterrence but would be a wasteful and costly misuse of our scarce defense resources. In particular, the following steps are essential:

- Further improvements to our warning systems, and the strengthening of strategic command, control, and communications through deployment of the MILSTAR satellite communication system, the Ground Warning Emergency Network (GWEN), the E6A TACAMO aircraft for communication with strategic submarines, and improved bomber communications should be implemented as soon as possible.

- The Trident II (D-5) missile—whose enduring hard-target capability is so vital to our strategy of flexible response—begins flight-testing next January. The deployment of D-5-equipped submarines must continue as planned; continued production of one Trident submarine per year is critical to providing an effective and survivable sea-based force in the 1990s and beyond.

- The second half of our two-bomber program, the final development and deployment of the Advanced Technology Bomber, must reach fruition on schedule. I recommended the two-bomber program—and the Congress approved it—precisely because it provided a phased near-term and a longer-term solution. To pause now, before we have achieved the second part of the program—the stealthy ATB, the part designed to provide the answer for the longer-term—would be to undercut completely our capability to maintain an effective bomber force that could penetrate air defenses into the 21st century, and ignore the enormous potential that stealth adds to deterrence.

- We are in the stages of final development of—and soon will begin to deploy—

the Advanced Cruise Missile. In 1983 procurement of our older Air-Launched Cruise Missiles was stopped so we could take advantage of this far more capable stealthy new missile. Having taken that step, continuation of the ACM program is essential. In fact, I have asked the Secretary of Defense to work with the Congress to accelerate this program.

- Modernization of the ICBM force remains incomplete—and, given congressional action last year, truncated. My FY 87 budget request contains funds that will allow us to move forward, with the cooperation of the Congress, to select a basing mode for the second 50 Peacekeeper missiles and to place the Small ICBM into full-scale development. This Fall, the Department of Defense will recommend, in accordance with my May 27, 1986, decision on interim restraint, an appropriate best configuration, in terms of weight, number of warheads, and production schedule, for the Small ICBM. The long-range viability of our strategic Triad depends on the modernization of the land-based leg through the deployment of the Peacekeeper and Small mobile ICBMs.

The fifth part of our Strategic Modernization Program is strategic defense. The SDI program I submitted to the Congress in 1984 was a carefully structured effort that integrated realistic technical opportunities in a research effort, under prudent financial planning. By funding SDI at lower-than-requested levels, the Congress has narrowed the scope of our research, forcing us to make decisions on candidate technologies more quickly than we had originally desired. I believe it would be most unwise to delay and further restrict the program.

When I launched the SDI, I pledged to the American people a determined effort to investigate whether it is possible to build an effective defense against ballistic missiles. If advanced technology enables us to eliminate the threat of nuclear ballistic missiles—and I believe it can—we need to know this so that we can decide how we can build a safer strategic relationship that would rely increasingly on defensive systems that threaten no one. Also, it is important to have a vigorous research effort now because

the Soviets have long been heavily engaged in their own strategic defense efforts, which in their case go well beyond research, and without the fiscal restrictions that have been placed on our SDI program. Our SDI program threatens no one. But if the Soviets are allowed to unilaterally continue to improve their strategic defenses, including a long-standing research effort in many of the same technologies being investigated by our SDI program, our future ability to deter Soviet aggression will be significantly and dangerously reduced.

I frequently hear two arguments—one political, one scientific—against the SDI. The first is that SDI would be “destabilizing.” This argument implies that peace is best maintained by preserving in perpetuity a U.S.-Soviet relationship of mutual vulnerability to missile attack. The argument rests on the twin assumptions that the Soviet Union would agree with us in maintaining this relationship, by abstaining from building defensive systems and by halting the buildup of offensive systems.

Of course, we have since discovered that both these assumptions were wrong: Since the signing of the ABM Treaty the Soviet Union has spent roughly as much on strategic defense as it has on strategic offensive forces. And certainly the Soviet Union, in building a first-strike capability, never accepted the premise that the West should be allowed to possess secure retaliatory forces. Since the Soviet leadership does not share our views of the world—and since we must be able to deter them from acting rashly or aggressively in a crisis—we should be taking their actions seriously, and not remain wedded to disproven assumptions. Conducting our own policy on the basis of false assumptions about Soviet policies is dangerous and destabilizing. Exploring technologies that might blunt the Soviet ability to attack us, on the other hand, may well give us the means to reestablish and ensure strategic stability over the long term.

The “scientific” objection I hear to SDI is that “it won’t work.” Clearly the Soviet researchers who have been engaged for the past 10 to 20 years on the Soviet version of SDI do not believe the arguments often heard from Soviet negotiators that SDI won’t work. How can such a judgment be

made when the research necessary to decide this is incomplete? Science is based on knowledge gained through research and testing. It is exactly such knowledge that the SDI program is designed to produce. Where would we be today if Bell, or Edison, or the Wright brothers curtailed their efforts because untested judgments about their work indicated they could never succeed? To cut SDI on these grounds would run counter to the American spirit that pushed back frontiers in all realms of endeavor. I cannot accept this—and I do not believe the Congress should allow it.

I am also aware that certain Members of Congress believe that we are attempting to move too quickly on the SDI program. These members would constrain the growth in the SDI program to the same level of growth as the entire Department of Defense budget. This logic is fatally flawed. The DOD budget is made up of thousands of programs and accounts that grow and decline in response to the military needs of the Department. To constrain SDI research by some fictional average of all these independent events would ignore the enormous advantage of American free enterprise to exploit technology to the limits of our knowledge. The cuts SDI has suffered to date have already limited our ability to fully exploit Western technology. Further cuts will only compound this problem.

We have also made good technical progress in closing the gap between the United States and the Soviet Union in anti-satellite systems. But progress in our laboratories does not give us military capabilities. Progress in the lab must be verified and tested before a system can be made operational. Unfortunately, our program is inhibited by congressionally imposed restrictions on testing—restrictions that have increased program costs and ultimately will cripple our efforts to create a credible deterrent in this area. Failure to provide a deterrent “in-kind” to the existing, operational Soviet system could create dangerous temptations for Soviet attacks on our satellites in time of crisis or during a conventional war. This failure to provide a capability to counter satellites that directly

support hostile military actions also undercuts deterrence.

Just as our strategic force programs are designed to assure an effective and credible deterrent for the United States and our allies, so too our efforts to reduce substantially the levels of U.S. and Soviet nuclear arms are not ends in themselves but are designed to contribute to increased U.S. and allied security and global peace and stability. Over the past several years, we have put forward a series of far reaching arms control proposals that seek concrete steps toward such enhanced security and stability.

In the Strategic Arms Reductions Talks (START), we have continued to set a priority on the achievement of significant, equitable, and effectively verifiable reductions in the Soviet and U.S. nuclear arsenals, while strengthening strategic stability. Through agreements on such reductions we seek to achieve a safer world and to work, on a sound basis, toward our long-term objective of ultimately eliminating all nuclear weapons. Our proposals include the principle of 50-percent reductions for comparable strategic systems, as well as trade-off and "build-down" concepts designed to contribute enhanced stability at lower levels of arms.

Since the overall strategic equation can be directly affected by other nuclear forces, in particular by those of longer and intermediate range, we have applied similar security and stability principles in a related area of nuclear weapons arms control—the negotiations on Intermediate Range Nuclear Forces (INF). We are proposing a global solution of completely eliminating U.S. and Soviet longer-range land-based INF missiles (LRINF) as our preference or, as an intermediate step, U.S./Soviet equality in LRINF missile warheads at any level.

Finally, as part of the Nuclear and Space talks in Geneva, we have sought in the Defense and Space negotiating group to initiate a dialogue with the Soviets on the vital relationship between strategic offense and defense and on a possible cooperative transition to a more defense-reliant posture, should the research on defensive technologies prove successful. We are conducting research on strategic defense as a prudent

hedge against the Soviet buildup in offense and defense so that we can establish and preserve the option for shifting the basis of deterrence to defensive systems that threaten no one.

In each of these arms control efforts, as in parallel efforts involving chemical and conventional forces, and in measures we and our allies have proposed to build confidence and reduce the risk of misunderstanding between East and West, we have focused on concrete steps that involve real reductions and constraints, that are equitable in contributing to security and stability, and that can be effectively verified. Our proposals have the strong support of our allies and provide a sound basis for significant progress in the future.

I am hopeful that the Congress therefore will join with me to protect the strategic modernization programs that make these negotiations possible. The Soviets are well-informed regarding congressional support for our modernization programs. If they detect a collapse of American resolve, we will see no movement in the negotiations because the Soviets will know they are better off by letting the Congress reduce our programs unilaterally rather than by engaging in meaningful negotiations that would result in both U.S. and Soviet systems being reduced on an equitable and verifiable basis.

On April 22, 1986, I wrote to the President of the Senate and the Speaker of the House of Representatives concerning appropriate near-term U.S. responses to the continuing pattern of Soviet noncompliance with existing arms control agreements. In my letter I reviewed the justification and rationale for our policy of interim restraint and proportionate response. I also spoke of my judgment that it remained in the interest of the United States and its allies to try to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursued with renewed vigor our goal of real reductions in the size of existing nuclear arsenals through the ongoing negotiations in Geneva. My letter explained why my highest priority of all our defense needs remains the full implementation of the Strategic Modernization Program, to under-

write our deterrence today, and the pursuit of the SDI research program to provide better alternatives for the future.

The U.S. Strategic Modernization Program, including the deployment of the full 100 Peacekeeper missiles, as called for by the Scowcroft Commission, is the foundation for all future U.S. options and provides a solid basis that can and will be adjusted over time to respond most efficiently to the continued Soviet strategic buildup. It is absolutely critical that this program not be permitted to erode. That would be the worst way to respond to the continuing pattern of Soviet activities, would increase the risk to our security and that of our allies, would undercut our ability to negotiate the reductions we all seek in existing arsenals, and thus send precisely the wrong signal to the Soviet leadership.

Our attempt to use the structure of SALT as the basis for interim restraint until a START agreement can be achieved has always been based on the assumption of Soviet reciprocity. It makes no sense for the United States to continue to support the SALT structure while the Soviet Union undermines the foundation of SALT by its continued, uncorrected noncompliance. Unfortunately, the Soviet Union has not reciprocated. Therefore, in the future, the United States will base decisions regarding its strategic forces on the nature, and magnitude of the threat posed by the Soviet Union, rather than on standards contained in expired SALT agreements unilaterally observed by the United States.

On the 27th of May, after consulting with the Congress and with our allies, I announced my decision to retire two older Poseidon submarines as the eighth Trident submarine begins sea trials. This means the United States will stay in technical observance of SALT for some months, thus giving the Soviet Union still more time to correct their erosion of SALT. If they do, I will take this into account.

I believe we must now look to the future, not to the past. The primary task we now face is to build a new structure, one based on significant, equitable, and verifiable reductions in the size of existing U.S. and Soviet nuclear arsenals. This is what we are proposing in the ongoing Geneva negotia-

tions.

Until this is achieved, the United States will continue to exercise the utmost restraint. Assuming no significant change in the threat we face, as we implement the Strategic Modernization Program, the United States will not deploy more strategic nuclear delivery vehicles or strategic ballistic missile warheads than the Soviet Union.

Thus, we come to one of those unique crossroads of history where nations decide their fate. Our choices are clear. We can hold firm to our policies of modernizing to maintain our deterrent strength that has preserved the peace for 40 years or we can shrink from the challenge by offering a host of excuses. We can strengthen the hand of our negotiators in Geneva to achieve deep, equitable, and verifiable reductions or, by unilaterally reducing our forces, we can make a mockery of the only process that leads us toward meaningful arms control.

There is no free ride. Some people will argue that strategic forces must take cuts along with everything else when budgets are tight. Those "spread-the-pain" theories are not only false, they are dangerous. Every dollar taken from our strategic programs is a victory for potential aggressors. Every cut or delay weakens our cause in Geneva and adds materially to the ultimate cost of deterrence. It is not unreasonable for a great nation like the United States to invest the relatively modest sums we have requested to maintain a credible deterrence and preserve the peace. In fact, it is the very existence of these investments that makes us first among the nations of the free world.

In considering our proposed funding for strategic programs, I would ask each and every member of the Congress to consider the stakes involved. The Congress can proceed along the path of strategic modernization we charted five years ago, and strengthen thereby our ability to deter both conventional and nuclear coercion or aggression. It can permit us to proceed as quickly and efficiently as possible to determine how we can create a safer world and ensure peace and stability for the longer term. Alternatively, by "cutting here and trimming there," the Congress can stretch

programs, thereby delaying scientific results, postponing the deployment of capabilities that we all agree are necessary, and, as a further penalty, increasing programmatic costs. I know which choice the American people would make.

This year I have begun to implement the recommendations of my Blue Ribbon Commission on Defense Management, the Packard Commission. This group of distinguished Americans once again pointed out the enormous importance of stability to our defense programs. These complex and intricate programs are difficult to manage at best because they involve new technologies and new concepts. They are impossible to manage if they become hostage to short-term budget issues that reduce and delay them at every turn.

We recognized in 1981 that we had to make strategic modernization our first priority. We have done so—and it has paid clear dividends. Our strategic programs have been models of management efficiency where we have kept them stable and on track. Internationally, our progress has paved the way to negotiations now in

progress where for the first time the prospect of deep nuclear arms reductions is before us.

The essential feature and greatest strength of the 1981 Strategic Modernization Program is its integrated, phased nature. A failure to follow through with this design risks squandering the progress we have made and the effort—and money—we have invested thus far.

Having come this far, we must not falter now. If we do, the fruits of all our labor will be gone in the twinkling of an eye. I cannot allow this to happen. I cannot and will not accept a defense bill that undercuts our Strategic Modernization Program and the prospect of significant and equitable arms reductions. The security and peace of the world depend on the credibility of our strategic forces. I pledge myself and my Administration to do everything that can be done to ensure that our security is maintained and our strategic forces are sufficient to meet our needs.

RONALD REAGAN

The White House,  
June 3, 1986.

## Statement by Deputy Press Secretary for Foreign Affairs Djerejian on the Strategic Modernization Program

June 3, 1986

The President sent a message to Congress today that called upon the Congress to fully support his budget request for strategic modernization and the Strategic Defense Initiative. The President views this message as a companion piece to his recent statement on interim restraint with respect to the SALT treaty limitation on strategic weapons.

The President noted that over the past 5 years, with the support and cooperation of the Congress, we have made substantial progress in rebuilding our deterrent capabilities. We can be justifiably proud of what we have accomplished by working together, but much more remains to be done. While recognizing the progress we have made, we

must be clear that the advanced systems which have been proceeding through intensive *development* programs during the past 5 years are only now beginning to be deployed. Those unfamiliar with the sequence of research, development, and deployment all too often assume that our commitment to build a new system results in its immediate deployment. This error may explain the view held by some that we have now accomplished enough in restoring our strategic capabilities and that we can begin to cut those programs significantly. In fact, the real benefits of our strategic modernization efforts will be realized only if we complete the tasks that we have begun with the research and development phase.



We recognized in 1981, when we began to modernize our defenses in response to the Soviet buildup, that we had to make strategic modernization our first priority. We have done so, and it has paid clear dividends. Our strategic programs have been models of management efficiency where we have kept them stable and on track. Internationally, our progress has paved the way to negotiations now in progress, where for the first time the prospect of deep nuclear arms reductions is before us. As our negotiators in Geneva seek equitable and verifiable agreements, they are mindful that we have no more urgent task in preserving peace and freedom than the prevention of nuclear war. The strategic programs now before the Congress represent a vital foundation to this search for a stable peace. They are designed to restore and strengthen our traditional approach to deterrence while we explore through our Strategic Defense Initiative the feasibility of harnessing advanced technologies in order to usher in a safer world.

We must also always remember that maintaining a strong nuclear deterrent does more than prevent nuclear war. Strong U.S. deterrent forces also contribute significantly to preventing major conventional aggression. In calculating what they call "the correlation of forces," the Soviet political and military leadership are ever mindful of the state of the nuclear balance between the United States and the Soviet Union. As a result, a strong U.S. strategic deterrent decreases the threat of any Soviet aggression and serves as the vital background which discourages Soviet conventional attack upon our allies or our interests abroad. A weak nuclear deterrent, leaving the Soviet Union with superior nuclear forces, could have the opposite effect. It could invite the Soviet Union to rely on such an advantage and to use conflict or coercion to achieve their objectives. Our strategic programs provide, therefore, a beneficial effect which far outweighs the less than 15 percent of the defense budget they consume. They are affordable, they are vital, and they respond to an increasing threat.

In considering our proposed funding for strategic programs, the President asks each and every Member of Congress to consider

the stakes involved. The Congress can proceed along the path of strategic modernization we charted 5 years ago and strengthen thereby our ability to deter both conventional and nuclear coercion or aggression. It can permit us to proceed as quickly and efficiently as possible through the Strategic Defense Initiative to determine how we can create a safer world and ensure peace and stability for the long term. Alternatively, by cutting here and trimming there, Congress can stretch programs, thereby delaying scientific results; postponing the deployment of capabilities, which we all agree are necessary; and as a further penalty, increasing programmatic costs. The President knows which choice the American people would make.

Thus, we come to one of those unique crossroads of history where nations decide their fate. Our choices are clear: We can hold firm to our policies of modernizing to maintain our deterrent strength that has preserved the peace for 40 years, or we can shrink from the challenge by offering a host of excuses. We can strengthen the hand of our negotiators in Geneva in their efforts to achieve deep, equitable, and verifiable reductions; or, by unilaterally reducing our forces, we can make a mockery of the only process that leads us towards meaningful arms control.

The President is confident that the Congress will therefore join with him to protect the strategic modernization programs that make these negotiations possible. The Soviets are well informed regarding congressional support for our modernization programs. If they detect a collapse of American resolve, we will see no movement in the negotiations because the Soviets will know they are better off by letting the Congress reduce our programs unilaterally rather than by engaging in meaningful negotiations which would result in *both* U.S. and Soviet systems being reduced on an equitable and verifiable basis. By standing together to protect these few programs that form the foundation of our national security, we will send a clearly different message. The world knows that there is no more powerful force than an America united and determined to protect its freedom. That is the

message we must send forth to pave the way for peace in the years ahead.

*Note: Edward P. Djerejian read the statement to reporters at 12:20 p.m. in the Briefing Room at the White House.*

## Presidential Determination No. 86-10—Trade With Romania, Hungary, and China

*June 3, 1986*

### *Memorandum for the Secretary of State*

*Subject:* Determination under subsection 402(d)(5) of the Trade Act of 1974—Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93-618), January 3, 1975 (88 Stat. 1978) (hereinafter "the Act"), I determine, pursuant to subsection 402(d)(5) of the Act, that the further extension of the waiver authority granted by subsection 402(c) of the Act will substantially promote the objectives of Section 402 of the Act. I further determine

that the continuation of the waivers applicable to the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China will substantially promote the objectives of Section 402 of the Act.

This determination shall be published in the *Federal Register*.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:56 p.m., June 16, 1986]*

## Message to the Congress on Trade With Romania, Hungary, and China

*June 3, 1986*

### *To the Congress of the United States:*

I hereby transmit the documents referred to in subsection 402(d)(5) of the Trade Act of 1974 with respect to a further 12-month extension of the authority to waive subsections (a) and (b) of Section 402 of the Act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of Section 402. I also include my determination that continuation of the waivers applicable to the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China will substantially promote the objectives of Section 402. The attached documents also include my reasons for extension of the

waiver authority; and for my determination that continuation of the waivers currently in effect for the Socialist Republic of Romania, the Hungarian People's Republic, and the People's Republic of China will substantially promote the objectives of Section 402.

RONALD REAGAN

The White House,  
June 3, 1986.

### *Report to Congress Concerning Extension of Waiver Authority*

Pursuant to subsection 402(d)(5) of the Trade Act of 1974 (hereinafter "the Act"), I have today determined that further extension of the waiver authority granted by subsection 402(c) of the Act for twelve months will substantially promote the objectives of Section 402 and that continuation of the

waivers currently applicable to the People's Republic of China, the Hungarian People's Republic, and the Socialist Republic of Romania will also substantially promote the objectives of Section 402 of the Act. My determination is attached and is incorporated herein.

The general waiver authority conferred by Section 402(c) of the Act is an important means for the strengthening of mutually beneficial relations between the United States and certain countries of Eastern Europe and the People's Republic of China. The waiver authority has permitted us to conclude and maintain in force bilateral trade agreements with Hungary, Romania, and the People's Republic of China. These agreements continue to be fundamental elements in our political and economic relations with those countries, including important exchanges on human rights and emigration matters. Granting of MFN gives U.S. companies the ability to compete in those markets. Moreover, continuation of the waiver authority might permit future expansion of our bilateral relations with other countries now subject to subsections 402(a) and (b) of the Act, should circumstances permit. I believe that these considerations clearly warrant this renewal of the general waiver authority.

I continue to believe that extending the current waivers applicable to Hungary, the People's Republic of China, and Romania will substantially promote the objectives of Section 402 of the Act.

I note the Romanian Government's continued responsiveness to our concerns about its emigration record, the criterion established by Section 402 for extension and continuation of the waiver authority. I am disappointed, however, by the Romanian Government's very limited response to numerous expressions of strong U.S. public, congressional, and Administration concern about its performance in areas of human rights and religious issues, and I am directing the Secretary of State further to press our concerns in these areas.

*Hungary.* Hungary has continued to take a relatively positive and constructive approach to emigration matters. Nearly all Hungarians who are eligible to apply to emigrate for purposes of family reunifica-

tion receive permission to depart. The American Embassy in Budapest issued 103 immigrant visas in 1985, approximately 15 percent more than in 1984. There is one pending divided family case, but a resolution is expected shortly. There are no systematic official sanctions imposed on persons who seek to emigrate.

*Romania.* Emigration from Romania, both overall and to the United States, has increased substantially in the 10 years since the waiver has been in effect. All told, more than 154,000 Romanians have emigrated to the United States, Israel, and the Federal Republic of Germany during this period. In 1985, over 17,000 Romanians emigrated legally to the Federal Republic of Germany, the United States, and Israel. The American Embassy in Bucharest issued visas or other documentation to 2,951 people in 1985 for legal departure from Romania to the United States. This is six times the pre-MFN level. Although the figure reflects a falloff in Romanian passport approvals to individuals qualified for U.S. admissions processing in mid-1985, more than 1,000 recent new approvals and conversations with the Romanian Government suggest that it is taking steps to increase the flow to a level consistent with U.S. immigration and admissions procedures. Ethnic German departures for the Federal Republic of Germany continued apace, with 13,072 in 1985. The 1,327 Romanian Jewish arrivals in Israel were slightly below the average for the last 10 years, and emigration to Israel has now reduced the Romanian Jewish community to under 25,000 people.

Although numerous problems remain in the emigration area, the Administration notes that the Romanian Government's substantial implementation of new procedures for emigration from Romania to the United States, which were arrived at last year, has reduced material and physical hardships for the majority of people departing for the United States since the middle of 1985. The Romanian Government has continued to honor its assurances, given in June 1983, that it would not require reimbursement of education costs as a precondition to emigration.

I share the strong concerns manifested

among the public and in the Congress regarding the Romanian Government's restrictions on religious liberties. In consequence, we have urged the Romanian Government to adopt a more humane approach by taking steps such as:

- releasing jailed religious activists such as Constantin Sfatcu and Dorel Catarama;
- allowing substantial legal importation or domestic printing of Protestant Bibles and permitting their legal distribution;
- easing administrative restrictions against Nazarenes, “unofficial” Baptists, and other groups that are not officially accepted by the Romanian Government; and
- easing measures that discourage construction or repair of churches and have allowed, in roughly eight cases in recent years, their demolition on grounds of alleged building code violations.

We welcome the freeing of Constantin Sfatcu and Dorel Catarama from prison, but are otherwise disappointed by the Romanian Government's response to our concerns in this area.

My decision to extend the waiver authority for Romania for 1986–87 has been taken with difficulty, following careful deliberation within the Administration. I have concluded that extension of MFN to Romania continues not only substantially to promote the objectives of the Act concerning emigration, but also to enable us to have an impact on human rights concerns and to help to strengthen the extent of religious observance in Romania. The Romanian Government's efforts to discourage religion should not be allowed to overshadow the widespread practice of religion in Romania

that, especially among the Protestant denominations, is growing faster than in other countries of Eastern Europe. Romania has some 8,100 functioning Orthodox churches, as well as over 4,000 of other denominations including more than 1,000 functioning Baptist churches. There is extensive training of new ministers. The extension of MFN has facilitated American citizens' access to coreligionists in Romania as well as the flow of several million dollars' worth of material assistance to them each year. In this difficult context, I believe it important that existing access and influence be preserved.

I have instructed the Secretary of State vigorously to pursue our efforts to secure further improvements and to report to me and to the Congress every six months concerning these matters.

*People's Republic of China.* China continues to have a relatively open emigration policy. The number of immigrant and non-immigrant visas issued by our Embassy and Consulates in China has increased every year since the United States normalized relations with China in 1979. In fiscal year 1985, 13,356 immigrant visas were issued. In addition, 45,000 nonimmigrant visas, compared with 24,000 the previous year, were issued to Chinese who wished to study, conduct business, or visit relatives in the United States. It remains true that other Western countries have also experienced increases in Chinese travel and emigration.

For the above reasons, I have determined that continuation of the waivers for Hungary, Romania, and the People's Republic of China will substantially promote the objectives of the Act.

## Message to the Senate Transmitting the Grenada-United States Investment Treaty

June 3, 1986

### *To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and Grenada concerning the Reciprocal Encouragement and

Protection of Investment, signed at Washington on May 2, 1986. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

The Bilateral Investment Treaty (BIT)

program, initiated in 1981, is designed to encourage and protect U.S. investment in developing countries. The treaty is an integral part of U.S. efforts to encourage Grenada and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States

should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible and give its advice and consent to ratification of the treaty at an early date.

RONALD REAGAN

The White House,  
June 3, 1986.

## **Nomination of Ann Barbara Wrobleski To Be an Assistant Secretary of State**

*June 3, 1986*

The President today announced his intention to nominate Ann Barbara Wrobleski to be an Assistant Secretary of State for International Narcotics Matters. She would succeed Jon R. Thomas.

Since 1985 Ms. Wrobleski has been serving as Deputy Assistant Secretary of State for International Narcotics Matters. Previously, she served in the Office of the First

Lady as Director of Projects, 1981–1985; deputy press secretary and director of scheduling for U.S. Senator Richard Stone, 1979–1980; and press secretary to U.S. Representative Lou Frey, 1975–1978.

Mrs. Wrobleski graduated from Stephens College (B.A., 1972). She is married and resides in Bethesda, MD. She was born April 3, 1952, in Fort Lauderdale, FL.

## **Nomination of Donna Pope To Be Director of the Mint**

*June 3, 1986*

The President today announced his intention to nominate Donna Pope to be Director of the Mint, Department of the Treasury, for a term of 5 years. This is a reappointment.

Mrs. Pope has been serving in this position since 1981. Previously, she served as a State representative for the Ohio General

Assembly, 1972–1981; and supervisor of the Cuyahoga County board of elections, 1968–1971. She also serves as a member of the President's Task Force on Legal Equity for Women.

Mrs. Pope is married, has two children, and resides in Arlington, VA. She was born October 15, 1931, in Cleveland, OH.

## **Nomination of Kenneth A. Gilles To Be an Assistant Secretary of Agriculture and a Member of the Board of Directors of the Commodity Credit Corporation**

*June 3, 1986*

The President today announced his intention to nominate Kenneth A. Gilles to be an Assistant Secretary of Agriculture (Marketing and Inspection Services), where he would succeed Raymond D. Lett, and to be a member of the Board of Directors of the Commodity Credit Corporation, where he would succeed C.W. McMillan.

Since 1981 Dr. Gilles has been Administrator, Inspection Services, Department of Agriculture. He was vice president for agricultural affairs at the University of North Dakota, 1969–1981; acting director, agricul-

tural experiment station, 1978–1979; acting director, cooperative extension service, 1972–1974; and professor and chairman, department of cereal technology, 1961–1970. Dr. Gilles was also a research engineer with Pillsbury Mills, Inc., an instructor at the University of Minnesota, and a senior biochemist with General Mills, Inc.

Dr. Gilles graduated from the University of Minnesota (B.S., 1944; Ph.D., 1952). He is married, has two children, and resides in Alexandria, VA. He was born March 6, 1922, in Minneapolis, MN.

## **Nomination of Robie Marcus Hooker Palmer To Be United States Ambassador to Hungary**

*June 3, 1986*

The President today announced his intention to nominate Robie Marcus Hooker Palmer, of Vermont, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador to Hungary. He succeeds Nicolas M. Salgo.

Mr. Palmer was a copy assistant at the New York Times in New York City in 1963. From 1963 to 1964, he was assistant to the producer of WNDT-TV in New York. He then entered on duty in the Foreign Service of the United States in late 1964 and was assigned as third secretary at the U.S. Embassy in New Delhi, India, until 1966. From 1966 to 1968, Mr. Palmer was an international relations officer in NATO affairs in the Department and then went to Garmisch as a student at the U.S. Army Russian Institute until 1969. In 1969 he was assigned as a second secretary at the U.S.

Embassy in Moscow, U.S.S.R., where he served until 1971 when he returned to the Department to become a member of the policy planning staff. In 1975–1978 he was political counselor at the U.S. Embassy in Belgrade, Yugoslavia, and in 1978 returned again to the Department as Office Director for Policy in the Bureau of Politico-Military Affairs. In 1981 Mr. Palmer was Deputy for Policy in the Bureau of European Affairs and then Deputy to the Under Secretary for Political Affairs. Since 1982 he has been Deputy Assistant Secretary for European Affairs.

Mr. Palmer graduated from Yale University (B.A., 1963). His foreign languages are Russian and Serbo-Croatian. He is married, and he was born on July 14, 1941, in Ann Arbor, MI.

## Appointment of Eight Delegates to the National White House Conference on Small Business

June 3, 1986

The President today appointed the following individuals to be delegates to the National White House Conference on Small Business:

*Hector Barreto*, of Missouri, currently serves as president of Sol International, Inc., and president of the U.S. Hispanic Chamber of Commerce. He was born August 23, 1925, in Mexico City, Mexico.

*Ronald J. Gordon*, of the District of Columbia, is the president of ZGS Television Productions, an independent production company that serves the Hispanic community. He also served as the conference director of the Hispanic Assembly of the Republican National Committee. He was born August 1, 1954, in Lima, Peru.

*William J. Hybl*, of Colorado, is the president of the El Pomar Investment Co. He also served as a member of the Colorado House of Representatives. He is a member of the U.S. Chamber of Commerce. He was born July 16, 1942, in Des Moines, IA.

*James Nicholas Papatones*, of New Hampshire, is

an attorney in the private practice of law. He is active in civic activities. He was born October 10, 1951, in Rochester, NH.

*Peter W. Senopoulos*, of Massachusetts, is currently president of Nationwide Insurance Investigators. He also serves as administrator and principal of Gallagher & Gallagher, P.C. He was born June 11, 1941, in Somerville, MA.

*Charlotte Z. Sewall*, of Maine, is president of Keene Narrows Lobster, Inc., and also serves in the Maine State Senate. She was born November 28, 1947, in Damariscotta, ME.

*Stephen S. Smith*, of Oregon, is the principal of Victor Bartlett & Associates, an accounting firm that assists small businesses with financial and tax problems. He was born December 6, 1940, in Los Angeles, CA.

*Warren L. Taylor*, of Montana, is currently secretary/treasurer of MAL Enterprises, Inc. He also serves on the executive committee of the U.S. Small Business Administration National Advisory Council. He was born June 19, 1936, in Great Falls, MT.

## Appointment of Eleanor R. Seagraves as an Alternate United States Member of the Roosevelt Campobello International Park Commission

June 3, 1986

The President today announced his intention to appoint Eleanor R. Seagraves to be an alternate member on the part of the United States on the Roosevelt Campobello International Park Commission. She would succeed William S. Cohen.

Since 1980 Mrs. Seagraves has been circulation manager for Business Mailers Review.

Previously she was a contributor to *Habitat*, a bimonthly journal, and has assisted in various other publications.

Mrs. Seagraves graduated from the State University of New York (B.S., 1964). She is married, has three children, and resides in Washington, DC. She was born March 25, 1927, in New York, NY.

## Remarks to Marine Corps Basic Training Graduates in Parris Island, South Carolina

June 4, 1986

I wonder if you have any idea what this means to a former second lieutenant of horse cavalry. [*Laughter*] It's wonderful to be with you here on Parris Island. You'll notice we brought some rain with us. While that might cancel out the A-frame exercise for you marines, the farmers of South Carolina, I have to tell you, ordered it up; and so I had to comply. Of course, I didn't have to do the "slide for life"—[*laughter*—I only had to watch. But it was fascinating to see your obstacle course and the "slide for life." It reminded me of trying to get a bill through Congress. [*Laughter*] We don't have an alligator or sand fleas, but we got some people in Washington who could double for them in a pinch. [*Laughter*]

But since this is the Marine Corps and it was supposed to be real hot here, I planned to keep my remarks short—no more than an hour or so. [*Laughter*] Seriously, I'm glad you're not all standing at attention. One time I addressed a group of marines. I told them a favorite joke of mine, and I was a bit disappointed when they didn't laugh. And I thought maybe I'd gotten the delivery wrong or they didn't quite understand it or something. And then the commanding officer leaned over to me and whispered that they're standing at attention, they're not permitted to laugh. So, just to play it safe: At ease, and feel free to laugh. That's an order! [*Laughter*]

Seriously, I couldn't be happier than to be here. The recruitment posters say they're looking for a few good men, and I can see here today they've found them—and I shouldn't leave out the women. This is about the finest bunch of leathernecks I have ever seen. Well, the few and the proud—the Marines have always exemplified those cardinal virtues of duty to country, honor, and bravery. Since the beginning of the corps at Philadelphia's Tun Tavern in 1775, marines have always been on the frontlines of freedom. Often the first into battle, the first to fight for right and freedom—on land, on the sea, and in the

air, in every corner of the world—you've been there when your country needed you.

You know, you and I are basically in the same business. Each day of my Presidency I work to keep our nation strong and secure so that we may always remain free and at peace. And each day you follow one of the most difficult but noble callings: the calling of freedom fighters and peacemakers. And that's why I wanted to come here today to talk to you about this country of ours—where we've been, where we're going, and how we can make sure that the future for Americans is one of a prosperous nation in a peaceful world. The news about our country today is good, and it's getting better. Pride is back. Patriotism is fashionable once again. We've taken our Armed Forces, which had suffered neglect and budget cuts for too many years, and gotten them back in shape—given them a little PT [physical training], you might say. We've restored our military to what it ought to be: combat-ready and fighting-fit, the strongest, proudest military for the strongest, proudest nation on Earth. And we've got to keep it that way.

Morale is up—way up—in the services, and the quality of recruits—I can tell you now and proven by actual figures—has never been higher. And you can see that here today. And I can tell you nothing makes me prouder than to see the fine young men and women in uniform, so ready and eager to serve their country. Ernie Pyle, the famous war correspondent in World War II, reflected on the Marine Corps spirit. He wrote that he never did find out what perpetuated it. But he concluded: A marine just plain "considers himself a better soldier than anybody else." Well, Ernie Pyle didn't just admire marines; he died with many of them on a terrible campaign called Okinawa, a campaign of bloodshed and valor for the men of the globe and anchor.

You are the inheritors of that tradition. You carry on. You know, sometimes I'd like



to take some of those people in Washington who are always trying to cut defense spending and bring them here to Parris Island—or to Fort Jackson, Orlando, or Lackland. And I'd tell them these are the soldiers, sailors, airmen, and marines who are putting their lives on the line to keep America free. And if we ever must send our young service people into harm's way, then it is our moral duty to give them absolutely the best equipment and support that America can muster. And I promise that I—and I'm sure I'm speaking for others here on this platform—will fight as hard as I know how to make sure you get the support that you deserve. And to all of those who say that we must always cut defense first, that America can't afford a strong military, I have just one thing to say: Tell it to the Marines!

So, America is back. America's military is back and standing tall. And our economy is on a record-setting roll. Most important, like in the Marines, morale is way up in America. We've developed an esprit de corps that can't be beat. There was a time, less than a decade ago, when America's leaders cowered before a future that looked to them dark and threatening and out of control. Well, no longer. The future is an open vista of expanding opportunities, and Americans are just itching to take on the challenge of tomorrow. You, the recruits of Parris Island, are part of the rising generation that will be meeting those challenges. The future of America is in your hands. Whatever path in life you've chosen—whether in the military or some other profession—as Americans, you carry a special responsibility. Just as in the Marines, the pride of being an American goes hand in hand with duties and responsibilities—the duties and responsibilities of citizenship and preserving and defending democracy.

Good citizenship is vitally important if democracy is to survive and flourish. It means keeping abreast of the important issues of the day and knowing the stakes involved in the great conflicts of our time. It means bearing arms when necessary to fight for your country, for right, and for freedom. Good citizenship and defending democracy means living up to the ideals and values that make this country great. Today the world looks to America for lead-

ership. They look to what they call our miracle economy for an answer to how they may give their people a better life. And they look to our courage and might to protect them from the forces of tyranny, brutality, and injustice.

I believe we've accomplished too much over the past 6 years in rebuilding our defense to see it all undone through shortsighted cuts in the budget. The true measure of our resolve is not only our willingness to make the great sacrifices necessary in war but also our willingness to invest a modest level of resources in peacetime to deter war in the first place. America is today reaffirming her proud role as a leader of the free world. We've learned something about leadership here on Parris Island. And in the same way that your DI [drill instructor] instills in his recruits leadership by example, America must lead the world by example—by always remaining true to her ideals.

You marines know better than anyone that staying true to your ideals isn't always the easiest course. It isn't always the most comfortable or even the safest way. And sometimes it's a lot like that confidence course: There are hurdles and obstacles, and sometimes you just have to hold on for dear life. But America didn't become great because we took the easy road. America's great because of men and women like you—men and women with big hearts and strong minds and with courage beyond the usual measure. You know, someone wisely said that a hero isn't really braver than anyone else; he's just brave 5 minutes longer than anyone else. And it's because of you that America's future will be big and strong and generous and full of hope and fighting spirit. It's because of you that we can be sure that America will be "Semper Fidelis"—always faithful to her best hopes and highest ideals.

And now, it gives me great pleasure to say just one final thing: Graduates of platoons 1044, 1045, 1046, and 1047, it's my privilege today to be the first to address you as marines, for marines you are and marines you always will be. Congratulations, and God bless you all. Thank you.

*Note: The President spoke at 11:40 a.m. at the headquarters building. Prior to his remarks, he reviewed marines participating in training exercises. Following his remarks,*

*he attended a reception for honor graduates and Families of the Year. The President then traveled to Greensboro, NC.*

## Remarks at a Senate Campaign Fundraiser for Representative James T. Broyhill in Greensboro, North Carolina

June 4, 1986

*The President.* It's wonderful to be here in North Carolina. We've come here fairly often the past few years, and you should know this is partly due to the cheerleading that is done behind your back by two members of my Cabinet—our Secretary of Transportation, Elizabeth Dole, who hails from Salisbury, as you know. And our Secretary of Education, Bill Bennett, has adopted North Carolina, after teaching at Chapel Hill and North Carolina State. I just thought you should know. They're great boosters of North Carolina, and you should be aware of that.

Now, I know I could say that I've come here to enjoy the lovely weather and the beauty of the nearby Appalachians and the charm of the people. And I did come here for those things, and I am enjoying them. Or I could say I'm here because I was nearby, over at Parris Island, looking square in the face at the best generation of fighting men this country has ever produced. And I did come here for that, and I enjoyed every minute of it. But there's another reason for my visit. And I was going to say it has to do with politics, but it really has to do with something bigger: history. I came here in part to say thank you for sending to the United States Senate two great men who are here with us this afternoon.

One is an American classic and an American original, a man who went to Washington not to make himself into something big but to fight for big things and big principles. I'm speaking of Jesse Helms. I need Jesse Helms in the Senate. The other man I'm here to say thanks for is John East. In my 5 years in the White House, I've learned to depend on John for help and support and, often enough, guidance. He's a

great man, and I needed him in the Senate. But now he's leaving, and we're none too happy about it.

But here is one comfort, and his name is Jim Broyhill. And that's another reason I came here today: to tell you why I need Jim Broyhill in the Senate. And you're just the sort of people to whom I wanted to speak about Jim. You're detached and impartial and—[laughter]—you wouldn't start to cheer just because I said something like let's send Jim Broyhill to the Senate. [Applause] I didn't think so. Well, let me tell you why I need him. He's been a leader. In his 24 years in the Congress Jim has shown himself to be a man who is motivated by principle, but who also has a gift for the maneuvers whereby principle is translated into effective legislation—which is one way of saying Jim really knows how to work the Hill. He knows how to get things done, and he gets things done for North Carolina.

Now, Jim Broyhill supports true tax reform—reform that makes the tax code simple and fair for all Americans, while preserving incentives for businesses to create new jobs. Now, there's an amazing fact that can be boiled down to one sentence: When we came in, in 1981, the top income tax bracket was way up here, 70 percent; and now we're actually going to get the top rate down to here, 27 percent. This is nothing less than historic. And at the other end on the tax range, we're going to get a lot of people removed from paying any tax at all. And it's the type of thing that doesn't happen without the help of people like Jim Broyhill.

Jim Broyhill has supported our efforts to sort of dust off and speak highly of the values that made America not only a great

country but a good country. And I think he and the other Members of Congress here deserve some credit for urging a return to the old standbys of studying and discipline in the schools. Jim has been a big supporter of educational excellence and achieving it through a return to the four R's—reading, 'riting, 'rithmetic, and respect. He knows the importance of involving parents. Do you remember back in the sixties when the think-tank liberals used to make you feel like you had no right having an opinion about the education of your own children? That sort of thing is pretty much history by now, and partly because of the leadership of people like Jim Broyhill. And if I could just say one more thing in this area. Jim never went the way of those who said, "If you have a problem in the schools, you can buy your way out of it." He never had so little respect for the problems of teachers and students that he'd just sit back and pass a program and declare a problem solved. He knew that the answers to society's problems reside in the hearts of the people in the society. And this is an important insight, one that has helped shape the progress we've made over the past few years.

He supported us on the tax cuts of 1981. And he supported our efforts to control and then cut inflation. So that when we came in, inflation was up here, 12.4 percent, and now it's down here at 1.6 percent. He supported our efforts to create new jobs. And now we have a record number of people holding jobs in the United States and a record number of people holding jobs in North Carolina. In fact, your State has one of the lowest unemployment rates in the entire country. But I know things aren't perfect. I know there've been pains and strains here—pockets of industry that've not only not recovered but that have gotten worse in some respects. There have been plant closings, and there have been farmers who've had it rough. We're not unaware of this back in Washington—we're totally aware of it. And part of the reason, again, is Jim Broyhill. Don't think he isn't pressing constantly for the interests of North Carolina. And we respect his caring and concern. And we listen to him, and we mean to continue listening to him.

We may not always see everything eye to

eye, but we have the same desire: to make life better for the people of our country and the people of this region. And that's what we're working for, together. Jim and I know American workers can outwork, outproduce, and outcompete anybody in the world. And that's why we'll continue to press for that level playing field through fair trade actions in every arena. Jim, Jesse, and I will continue to work together for America and North Carolina. We've solved a lot of problems in the last 5 years, and we're determined to solve these, too.

By the way, I also want to mention that Jim has just come through a primary where he faced a most worthy opponent, Dave Funderburk. I know Dave isn't here today, but Dave is a young star with a bright and beckoning future, and I wish him well. And of Governor Jim Martin. It's his kind of leadership that has helped North Carolina get through the occasional economic storms, his kind of leadership that has created an environment that is hospitable to employment and new jobs. He was a great Congressman, and now he's a great Governor. So, what do you say: Do you think you can add a new name to the classic team of Martin, East, and Helms?

*Audience.* Yes!

*The President.* Do you think you can send Jim Broyhill to the Senate?

*Audience.* Yes!

*The President.* Will you work hard for him so that he can come to Washington and work hard as a member of the Republican majority and support me? If you do that, you're going to be helping to make sure that Jesse stays on as chairman of the Senate Agriculture Committee. Will you send back to Washington my friends Bill Cobey and Howard Coble?

*Audience.* Yes!

*The President.* And Alex McMillan and Bill Hendon? And that's good, because I need them, too, and we all do. You know, talking about the Governor here, I have to tell you something. I have a warm feeling, as you can imagine, for Governors, having spent some time as one myself. I don't know that I ever had a chance to tell him; I got into some dark days in California when I first became Governor. And one day I was

on my way to the office, and I was listening to a disc jockey show on the car radio. And all of a sudden this disc jockey said something that won my heart. Out of a clear blue sky he said, "Every man should take unto himself a wife, because sooner or later something is bound to happen that you can't blame on the Governor." [Laughter] Well, I couldn't resist telling that. I thank you.

I have a lot of faith in you, and I'm hoping that on election night someone will suddenly on the media be reporting excitedly a Broyhill sweep. And then he'll follow it with, "And as North Carolina goes, so goes the Nation." That sounds nice, doesn't it? And, you know, with you having Jesse and Senator East both there in Washington, and now continue on this path—every once in a while I run into people that

think that, in our system of checks and balances, it maybe makes sense to have a Senator of each party in the Senate. That isn't part of the checks and balances. [Laughter] Why should you send a Senator to Washington to undo everything the other Senator is trying to do for you? Send two of them there, and we'll get a lot of things done.

Well, I thank you very much for your warm welcome and even for your warm weather. And thank you all. God bless you. And send these people I've just been talking about back to Washington. They'll come back and visit you. All right. Thank you.

*Note: The President spoke at 2:37 p.m. in the Greensboro Coliseum Exhibition Hall. Following his remarks, he attended a reception for major donors to the Broyhill for Senate campaign and then returned to Washington, DC.*

## Statement on United Nations World Environment Day

June 5, 1986

Today the United Nations observes World Environment Day. The United States joins in this celebration, affirming our belief that the most important resource of any nation is its people. The successful promotion of resource conservation and wise stewardship, like the development of both human and material resources, depends on the institutional arrangements which permit the free exercise of human creativity. Americans have valued highly personal liberty and have favored institutions which permitted a wide range of individual activity largely free of social and political constraints. Yet the freedoms which we enjoy have not been secure in many other lands or at most other times throughout history.

Working over the past four centuries through the institutions of limited government, secure property, personal liberty, individual enterprise, and voluntary association, Americans turned a nearly unpopulated continent into a prosperous, peaceful, and protective home for 240 million persons. To be sure, America was blessed with

vast amounts of farmland, timber, water, and minerals. Nevertheless, it took hard work, sacrifice, daring, initiative, and a willingness to risk failure by millions of free men and women to create the kind of society Americans enjoy today. Americans have been so successful at making intelligent use of their land and its resources that many people believe the effort to sustain our current standard of living long into the future will bring about the exhaustion of natural resources as well as unacceptable environmental damage.

While it is a truism that this is a finite world with physical limits to resources, it is not correct to conclude that, therefore, the Nation will eventually lose the ability and the resources necessary to sustain modern civilization. In practice this should never occur because as a given resource is used up its price rises, stimulating conservation, the search for additional supplies, and substitution of new resources for the depleted one. A superior natural resources policy is one that favors those institutions by which

new resources are substituted for old ones: individual enterprise, guided by the price signals of the market, and technological advances that conserve resources and permit them to be used more efficiently. For example, in the past 5 years, America has transformed an energy crisis into energy abundance by increasing our production, by using our energy more efficiently, by conservation, and by diversifying our supplies. We have rightly placed our trust in our people; in the strength of American businesses, large and small; and in the belief that we were not running out of energy, only imagination.

One month ago today, seven leaders of the free world met in one of the largest capital cities in the world: Tokyo, Japan. That country is a free and prosperous nation of many people and few natural re-

sources. Like its neighbors surrounding the Pacific, it is thriving dynamically through free exchange, building on its rich cultural heritage. While we were there, we adopted the Tokyo Declaration: Looking Forward to a Better Future, and we declared our obligation to pass on to future generations a healthy environment and a culture rich in both spiritual and material values. We observed that personal initiative, individual creativity, and social justice are the main sources of progress in the world. The United States pledged there, and we renew our pledge to the world today: "More than ever we have all to join our energies in the search for a safer and healthier, more civilized and prosperous, free and peaceful world." In so doing, all the nations of the world can join us in facing the future with confidence.

## **Nomination of Mark S. Fowler To Be a Member of the Federal Communications Commission, and Designation as Chairman**

*June 5, 1986*

The President today announced his intention to nominate Mark S. Fowler to be a member of the Federal Communications Commission. This is a reappointment, and upon confirmation, he will be redesignated Chairman.

Since 1981 Mr. Fowler has been Commissioner and Chairman of the Federal Communications Commission. Previously, he was a partner with Fowler-Meyers in Washington, DC, 1975-1981; a partner with

Smith & Pepper, 1970-1975; and was a radio announcer and full-time sales representative at radio station WMEG, Melbourne, FL, 1964-1965. Mr. Fowler has authored numerous articles on telecommunications.

Mr. Fowler graduated from the University of Florida (B.A., 1966; J.D., 1969). He is married, has two children, and resides in McLean, VA. He was born October 6, 1941, in Toronto, Canada.

## **Designation of Patricia A. Goldman as Vice Chairman of the National Transportation Safety Board**

*June 5, 1986*

The President today announced his intention to redesignate Patricia A. Goldman to be Vice Chairman of the National Transportation Safety Board for a term of 2 years, to be effective June 18, 1986.

Mrs. Goldman has been a member of the National Transportation Safety Board since June 1979, and she has been serving as Vice Chairman since 1982. Previously, she was executive director of the House Wednesday

Group in Washington, DC, 1972–1979; a freelance writer with the National Journal, 1972; director, manpower and poverty programs, with the U.S. Chamber of Commerce, 1967–1971; legislative assistant, Ad Hoc Committee on the War on Poverty, House Education and Labor Committee,

1965–1966; and a research assistant, Joint Economic Committee of Congress, 1964–1965.

Mrs. Goldman graduated from Goucher College (B.A., 1964). She resides in Washington, DC, and she was born March 22, 1942, in Newton, NJ.

## **Appointment of Three Members of Emergency Board No. 210 To Investigate a Railroad Labor Dispute**

*June 5, 1986*

The President has appointed the following individuals to be members of Presidential Emergency Board Number 210, created by Executive Order 12558, of May 16, 1986:

*Arthur Stark*, of New York, to serve as Chairman.

Mr. Stark has been an independent labor arbitrator in New York City since 1947. Previously he was with the New York State Board of Mediation as executive director, 1951–1957, and as assistant executive director, 1947–1951. Mr. Stark graduated from the University of Chicago (B.A., 1939; M.A., 1941). He is married, has three children, and resides in New York, NY, where he was born on March 7, 1919.

*Daniel G. Collins*, of New York. Mr. Collins is a labor arbitrator, and he has been a professor of

law at New York University School of Law since 1961. He was associated with the firm of Cravath, Swaine and Moore, 1956–1960. Mr. Collins graduated from Hofstra College (B.A., 1951) and New York University School of Law (LL.B., 1954). He is married, has four children, and resides in Sagaponack, NY. Mr. Collins was born March 29, 1930, in Brooklyn, NY.

*Herbert L. Marx, Jr.*, of New York. Mr. Marx is an independent arbitrator in New York City. Previously, he was with General Cable Corp., 1951–1974; and most recently as vice president for industrial relations, 1971–1974. He graduated from Dartmouth College (B.A. 1943) and New York University Graduate School of Business Administration (M.B.A., 1955). He is married, has three children, and resides in New York City. Mr. Marx was born February 1, 1922, in Albany, NY.

## **Statement by Principal Deputy Press Secretary Speakes Following the President's Meeting With Ambassador Donald S. Lowitz on the Conference on Disarmament**

*June 5, 1986*

The President met today with Ambassador Donald S. Lowitz, United States Representative to the 40-nation Conference on Disarmament in Geneva, which resumes its 1986 session on June 9. He expressed to Ambassador Lowitz the importance that he attaches to effective multilateral arms control measures as a means of strengthening United States security as well as enhancing the security of other nations.

The President stressed, in particular, that

at his November meeting in Geneva with General Secretary Gorbachev of the Soviet Union the two leaders had reaffirmed their support for a global ban on chemical weapons, which the United States is seeking at the Conference on Disarmament, and that they had agreed to accelerate efforts to conclude an effective and verifiable agreement. The President attaches great importance to this commitment and has, therefore, instructed the United States delegation to

continue to seek mutually acceptable solutions to the outstanding issues in the negotiations on a chemical weapons ban, both in the Conference on Disarmament and in the accompanying bilateral talks with the Soviet Union.

At the President's request, Vice President Bush addressed the Conference on Disarmament in 1983 and 1984. On both occasions he introduced U.S. initiatives in the chemical weapons negotiations. The Vice President continues to take great interest in our efforts to successfully complete the negotiations on a treaty at an early date.

The President asked Ambassador Lowitz, in their meeting today, to continue to keep him fully informed on the progress of these negotiations as well as on other important issues under consideration in the Confer-

ence on Disarmament. He also requested that Ambassador Lowitz convey to the representatives of the other member states of the Conference his sincere hope that a spirit of dedication and vigorous work would result in a successful agreement on a comprehensive chemical weapons ban and his conviction that the Conference is fully capable of achieving such an agreement, which the peace-loving nations of the world greatly desire. He stated that, for its part, the United States again stands ready to intensify even further these negotiations when the Conference reconvenes and called upon the other members of this unique body—the sole arms control negotiating forum in which all regions of the world participate—to do likewise.

## **Statement on Senate Approval of the United States Arms Sale to Saudi Arabia**

*June 5, 1986*

Today's vote in the Senate on the Saudi arms sale confirms America's commitment to a security relationship that has served both the United States and Saudi Arabia well over the past 40 years. The United States continues to consider the security and well-being of Saudi Arabia and the sta-

bility of the Persian Gulf to be a matter of vital interest. Similarly, our commitment to freedom of navigation in the Gulf remains firm. We are determined to work with the Saudis and other friendly states to achieve our shared goal of peace and stability in the region.

## **Message to the Senate Transmitting a Protocol to the China-United States Agreement on Taxation and Fiscal Evasion**

*June 5, 1986*

*To the Senate of the United States:*

I transmit herewith, for Senate advice and consent to ratification, the May 10, 1986, Protocol Concerning the Interpretation of Paragraph 7 of the 1984 Protocol to the Agreement Between the Government of the United States of America and the Government of the People's Republic of China for the Avoidance of Double Taxation and the Prevention of Tax Evasion with Respect to Taxes on Income, signed at

Beijing on April 30, 1984. I also transmit the report of the Department of State on the new Protocol.

Senate consideration of the Agreement, which was transmitted for advice and consent to ratification by letter dated August 10, 1984, has been delayed in light of the concern expressed that it lacked strong "anti-treaty shopping" provisions. The 1986 Protocol remedies the situation by providing rules designed to prevent residents of

third countries from investing through China in order to get the benefits of the income tax treaty.

It is most desirable that this Protocol, together with the Agreement, the 1984 Protocol thereto, and the related exchange of notes, be considered by the Senate as soon

as possible and that the Senate give advice and consent to ratification of these instruments.

RONALD REAGAN

The White House,  
June 5, 1986.

## Statement by Principal Deputy Press Secretary Speakes on Natural Domestic Energy Resources

*June 6, 1986*

The President believes the recent decline in oil prices will improve economic growth, reduce the cost of energy to consumers, and contribute to maintaining the current low rate of inflation. The decline in oil prices is an excellent example of the benefits of relying on the principles of a free market. At the same time, the President is intent upon maintaining our national energy security and ensuring that the United States does not become unduly dependent upon unreliable sources of oil.

To ensure the preservation of our national energy assets and protect our energy independence, the President has proposed a number of actions, all consistent with the free market. Today the President reaffirms his support for:

- Repealing the windfall profits tax;

- Enacting comprehensive natural gas legislation, including repealing several provisions of the Fuel Use Act; and,

- Preserving the current tax treatment of the depletion allowance and intangible drilling cost provisions, as contained in the Senate Finance Committee version of the tax reform bill.

In addition, the administration will pursue several new initiatives to preserve the viability of marginally economic production wells in the United States and reduce regulatory barriers to the operation and development of natural domestic energy resources.

### *Interior Department*

The Secretary of the Interior will:

- Expand upon his action of April 17 by

suspending production requirements on all economically marginal Federal oil and gas leases;

- Initiate a review of the regulations, procedures, and policies implementing the Federal Oil and Gas Royalty Management Act to allow for more efficient, cost-effective implementation of the act;

- Promote regulatory and program initiatives in historic preservation that support the economically efficient development and production of domestic petroleum resources;

- Extend oil and gas lease terms whenever activity on the lease is not permitted for a period exceeding 6 months as a result of Federal actions beyond lessees' control.

Secretary Hodel also will fully consider every opportunity to strengthen our domestic petroleum capability when reviewing: (1) policies and procedures governing the availability of Federal lands both onshore and offshore and (2) leasing and operating regulations and procedures of the Bureau of Land Management and the Minerals Management Service.

### *Commerce Department*

The Secretary of Commerce will immediately begin a review of State coastal zone management programs to advance the national interest in energy security. This review will include all aspects of energy exploration, development, and production. Secretary Baldrige will also use his regulatory authority to minimize the overlap in judicial and administrative jurisdiction over coastal zone practices. Finally, he will seek



to streamline permitting processes and reduce administrative costs to applicants.

*Environmental Protection Agency*

The Environmental Protection Agency will be reviewing regulations affecting the petroleum industry to assure that maximum opportunity be given to regulatory approaches that are less costly, but equally protective. The Agency will continue to seek certainty and predictability in its regulations to foster an investment climate conducive to further development of the Nation's energy resources. Further, measures to encourage environmentally beneficial use of alternative fuels derived from natural gas will be explored.

*Federal Energy Regulatory Commission*

The Federal Energy Regulatory Commission (FERC) unanimously adopted on May 29, 1986, a rule recommended by Secretary [of Energy] Herrington to eliminate the myriad of prices for old natural gas and instead replace them with a new system including one, new maximum lawful price. This change is designed to increase gas recovery and production, lowering the price of natural gas to consumers.

The President has asked his Cabinet to continue their efforts to identify measures that will preserve our national energy security without diminishing the value of declining oil prices for consumers.

## **Proclamation 5498—Temporary Duty Increase on the Importation Into the United States of Wood Shingles and Shakes of Western Red Cedar**

*June 6, 1986*

*By the President of the United States of America*

*A Proclamation*

1. Pursuant to Section 201(d)(1) of the Trade Act of 1974 (the Trade Act) (19 U.S.C. 2251(d)(1)), the United States International Trade Commission (USITC) on March 25, 1986, reported to the President the results of its investigation No. TA-201-56 under Section 201(b) of the Trade Act (19 U.S.C. 2251(b)). The USITC determined that wood shingles and shakes, provided for in item 200.85 of the Tariff Schedules of the United States (TSUS), are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing articles like or directly competitive with the imported articles. The USITC recommend that a tariff of 35 percent ad valorem be imposed for a period of 5 years on imports of wood shingles and shakes of western red cedar in order to remedy this serious injury.

2. On May 23, 1986, pursuant to Section 202(b)(1) of the Trade Act (19 U.S.C.

2252(b)(1)), and after taking into account the considerations specified in Section 202(c) of the Trade Act (19 U.S.C. 2252(c)), in order to remedy this serious injury, I determined to impose a tariff on imports into the United States of wood shingles and shakes of western red cedar in an amount that differs from the tariff recommended by the USITC. On May 23, 1986, in accordance with Section 203(b)(1) of the Trade Act (19 U.S.C. 2253(b)(1)), I transmitted a report to the Congress setting forth my determination and intention to proclaim a temporary tariff and stating the reason why my decision differed from the action recommended by the USITC.

3. Section 203(e)(1) of the Trade Act (19 U.S.C. 2253(e)(1)) requires that import relief be proclaimed and take effect within 15 days after the import relief determination date.

4. Pursuant to Sections 203(a)(1) and 203(e)(1) of the Trade Act, I am providing import relief through the temporary imposition of a tariff on wood shingles and shakes of western red cedar, as hereinafter proclaimed.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including Sections 203 and 604 of the Trade Act (19 U.S.C. 2253 and 2483), do proclaim that—*

(1) Subpart A, part 2 of the Appendix to the TSUS is modified as set forth in the Annex to this proclamation.

(2) This proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after June 7, 1986, and before the close of June 6, 1991, unless the period of its effectiveness is earlier expressly modified or

terminated.

*In Witness Whereof*, I have hereunto set my hand this 6th day of June, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 4:11 p.m., June 6, 1986]*

*Note: The annex to the proclamation was printed in the "Federal Register" of June 10.*

## **Statement on Signing the Federal Communications Commission Bill *June 6, 1986***

I have today signed S. 2179, which reduces the terms of office of members of the Federal Communications Commission from 7 to 5 years and adjusts the expiration dates of two terms to ensure that a term expires in 1989 and 1990. To accomplish this pur-

pose, this legislation extends the term of office that would have expired on June 30, 1987, to June 30, 1989.

*Note: S. 2179, approved June 6, was assigned Public Law No. 99-334.*

## **Statement on Signing the Federal Employees' Retirement System Act of 1986 *June 6, 1986***

I am pleased to sign today H.R. 2672, the Federal Employees' Retirement System Act of 1986. H.R. 2672 establishes a new retirement system for Federal employees hired since 1983. These employees have been covered under Social Security because of the 1983 Social Security Amendments, but there has been no retirement system in place to supplement Social Security for them.

H.R. 2672 fills this void by establishing a defined benefit plan and an optional thrift savings plan, which, in combination with Social Security, will provide attractive retirement benefits for Federal employees at a reasonable cost. The modern, comprehen-

sive retirement program resulting from this bill is modeled after some of the better private sector plans. The enactment of this landmark legislation has been a major accomplishment that could not have been achieved without the efforts of many Members of Congress and representatives of the executive branch. I particularly want to salute Senators Roth, Stevens, and Eagleton, and Representatives Ford, Taylor, and Oaker for their tireless efforts during the last several years to design a new retirement plan that is fair both to Federal employees and taxpayers. This formidable goal has been accomplished with the enactment of H.R. 2672.

Although I strongly support the overall approach of H.R. 2672, some provisions of this legislation present problems, mostly technical or administrative, which may require future correction. In addition, I must object to the sections of H.R. 2672 that purport to give the Comptroller General authority to establish procedures for depositing monies into the Treasury to the credit of the Thrift Savings Fund; for example, 5 U.S.C. 8422(c), 8423(a) (4) 8432(f), and 22 U.S.C. 856(c). The grant to the Comptroller General, an officer of the Congress, of the authority to bind the Executive raises serious constitutional concerns relating to the

separation of powers. The Attorney General is presently conducting litigation that challenges grants of Executive authority to the Comptroller General in several respects. I am therefore requesting that agencies responsible for administering the provisions of H.R. 2672 seek the advice of the Department of Justice in order to implement these provisions in a constitutional manner. Despite these concerns, I am very gratified to be able to sign this historic legislation.

*Note: H.R. 2672, approved June 6, was assigned Public Law No. 99-335.*

## Remarks at a White House Briefing for Supporters of Tax Reform and United States Assistance for the Nicaraguan Democratic Resistance *June 6, 1986*

I know that Secretaries Baldrige [Secretary of Commerce] and Baker [Secretary of the Treasury] have briefed you on trade and tax policies. And I'm grateful for this opportunity to speak with you personally. Grassroots America will be playing a decisive role in the next few weeks as Congress decides some issues that are at the heart of our country's security and economic well-being. Your active support will make a difference and, believe me, is really appreciated here.

It reminds me a little bit of the story of the man who took his young son-in-law out and was going to introduce him to golf, and told him all that he had to do, and teed up the ball. And the kid took a swing, and he missed the golf ball entirely, but hit an ant's nest into the air. And so, lined up and took a crack at it and again—hit another gouge out of the ant's nest. And now there were ants flying all the way through the air. And as he lined up for the third try, two ants peeked out of the crater that he left, and one of them said, "If we want to survive this, we'd better get on the ball." [*Laughter*]

Well, today I'm happy to be with people who are on the ball and ready for action.

Over these last 5½ years, many of us in this room have worked together on a number of issues. And several here are continuing that work by running for Congress, the statehouse, or other office; and I salute those candidates who are with us here today. A special word of welcome to Patricia Donovan, Ron Pierce, Pat Halperin, Robert Raykuh, and Donald Walsh, because these activists recently reregistered and joined our Republican ranks. Being a former Democrat myself, I know how difficult it is. And we're proud to have you all with us. I have to tell you that I had started working for the Party before I got around to joining it. And one night—1962 State campaign in California—I was speaking at a fundraiser, and a woman stood up in the middle of the audience and asked me if I'd reregistered. And I said, "No, but I'm going to." She said, "I'm a registrar." She walked right down the middle aisle—[*laughter*—put the paper up, and I signed up and then said, "Now, where was I?" [*Laughter*]

Well, the economic vitality that's so apparent in our country today is not the product of blind luck; it's the result of good policies—and policies that many of you helped shepherd through the system. And

now it's time to take the next step, and it's a big one. We have, as you've been told already, thanks to the leadership of Bob Packwood and others in the United States Senate, a window of opportunity to pass one of the greatest tax reform packages in all our history. There will only be 2—not 15—individual tax rates under the proposal: 15 and 27 percent. And the vast majority of Americans will pay at the lower rate, and most Americans will enjoy a reduction of their total tax obligation. And those toward the bottom end of the economic ladder will be in the third tax bracket: zero. We have it within our power, if we're forceful in purpose, to bring down the rates and close many of the loopholes which have made our tax structure unfair, overcomplicated, and a drag on our economy. We can put in place a tax program that will take America into the 21st century and with all the gusto and enthusiasm with which we entered the 20th century—not that I was around back then. *[Laughter]*

Seriously though, we must be vigilant to the power of the special interests. And I hope you'll put the word out that it's time to get on the tax reform bandwagon. Anybody waiting for special accommodations is going to be left behind. Whether America takes this giant step forward depends on grassroots Americans, like yourselves, combating the special interests. I hope I can count on you to put tax reform on your front burner. *[Applause]* You just made my day. *[Laughter]* Well, the order of the day is: Get with the program! And good economics will usher us to a better future, but we must also ensure that when America—or when tomorrow comes, America is secure and firm in its commitment to those principles that we, as a free people, believe in.

Shortly, the House of Representatives will be deciding if the United States is to help those Nicaraguans who are fighting for democracy in their native land. Providing this assistance is both a moral imperative and the course of action most consistent with our own security interests. What we do to help Nicaraguan freedom fighters is every bit as moral and just as anything this nation, or any other nation, has done to aid those struggling for their liberty and independence. As Americans, we're the arsenal for

democracy, the keepers of the flame that Jefferson wrote about when he penned these words: “. . . the flames kindled on the Fourth of July, 1776, have spread over too much of the globe to be extinguished by the feeble engines of despotism . . . .”

But expressions of solidarity aren't enough. Albert Camus, a leader in the French underground during the Nazi occupation, wrote during the war, “Contrary to what we sometimes used to think, the spirit is of no avail against the sword, but that the spirit together with the sword will always win out over the sword alone.” Well, those who fight for freedom are our brothers and sisters, and they deserve more from the United States than words. With our adversary arming totalitarian forces to the teeth, we must have the courage to give those who share our ideals, especially those in this hemisphere, what they need to defend themselves and to win the day.

In recent years we've witnessed in the Americas the greatest expansion of democracy in this century. Today 90 percent of the people of the Western Hemisphere—North, South, and Central America—live in countries that are democracies or are in transition to democracy. We cannot stand by and permit a Soviet beachhead, which will be used to undermine this process, to be consolidated on the mainland of the Western Hemisphere. The zeal of the Communist regime in Managua for internal repression is matched only by its commitment to subvert neighboring democracies and to spread terror and chaos far and near. The Nicaraguan Government has provided weapons, logistical support, and training for Communist revolutionary movements that are plaguing Latin America. And the Palestinian Liberation Organization, Italy's Red Brigade, the Baader-Meinhof gang, and agents of Colonel Qadhafi—all are in and out of Managua all the time, and there is a close connection. Now, is this a threat to the rest of Central and South America? Yes. Is this a threat, ultimately, to the United States? Yes. The strategy of the Sandinistas should now be clear to everyone. It's a strategy of delay—dragging out negotiations, never taking a serious position—so they can wipe out their opposition while

Congress waits to see if a peace treaty is around the corner. Well, if we continue to delay, all we are doing is playing into the hands of the Nicaraguan Communists. We must stop falling victim to stall tactics.

We cannot, we must not, downplay the threat to our country or to freedom in the hemisphere. To deny aid to the *contras* is a mandate for inaction which could well result in the creation of a Libya on our own doorstep. Let's not kid ourselves. If the opponents of aid have their way—preventing us from assisting our friends—Central America could soon become a divided, war-torn region with Nicaragua a refuge and safe haven for terrorism. If this happens, the American people will know who to blame. As President of the United States, my primary job is not placing blame; it's the security of this country. Deserting the Nicaraguan freedom fighters would be a national security disaster for the United States. And together we can see this never happens.

Our commitment to overcoming the challenges to our security in Central America and elsewhere, our efforts to reform our tax system and keep our economy strong and growing, are not for us. They're for those

Americans who come after us. And I've often said that America's greatest days lie ahead. And that's what we're striving to ensure. Just a few days ago—I've been on a number of campuses and in high schools, and when I look at today's younger Americans, I know that the 21st century is going to be in good hands. And I never felt it any more than just a few days ago at Parris Island, when I stood there and met around 4,000 of those young marines. And it didn't surprise me at all when the general, who was retiring at the end of this month, said to me, "In all my years in the Marine Corps, I have never seen a finer quality of young people than we have here with us in uniform today."

So, our greater days do lie ahead. Van Dyke's poem says it well: "But the glory of the present is to make the future free. We love our land for what she is and what she is to be." Well, I thank you all again for all that you're doing, appreciate very much the opportunity to spend these few minutes with you. God bless you all.

*Note: The President spoke at 1:32 p.m. in Room 450 of the Old Executive Office Building.*

## Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Activities of United Nations Member Countries

June 6, 1986

*Dear Mr. Speaker: (Dear Mr. President:)*

Pursuant to Public Law 99-190 (22 U.S.C. 2414a), I am transmitting herewith the report on the activities of countries within the United Nations and its specialized agencies.

This report assesses the degree of support of United States foreign policy in the United Nations context by the governments of countries that are members of the United Nations.

In addition, this report includes the

report required of the Secretary of State under Section 117 of Public Law 98-164 on the performance of U.N. member countries in international organizations.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.*

## Radio Address to the Nation on Tax Reform

June 7, 1986

### *My fellow Americans:*

I'd like to read to you from a very famous U.S. Government document: "For purposes of Paragraph (3), an organization described in Paragraph (2) shall be deemed to include an organization described in Section 501(c) (4), (5), or (6) which would be described in Paragraph (2) if it were an organization described in Section 509(a)(3)." Not exactly the Declaration of Independence or Lincoln's second inaugural. No, it's the last sentence in section 509(a) of—you guessed it—the Internal Revenue Code. Now why, on a Saturday in the springtime, would I raise such an unpleasant topic as taxes? Well, I wanted you to know that, just for once, the news about taxes is actually good—in fact, "great" might be the word.

You see, if the Congress moves speedily this summer, most of you are going to be getting a reduction in tax rates starting next year. That's because there's a new bill that's going to drastically overhaul the tax code and reduce the current 14 tax rates to only 2–15 percent and 27 percent. That means 80 percent of the American people will be paying the rate of 15 percent or less. For most of you, that's going to be a significant tax cut.

But lower tax rates aren't all. This new legislation raises the personal and dependent's exemption from \$1,080 to \$2,000 for all but the very richest Americans. It also removes 6 million poor people from the income tax rolls, making it one of the most effective antipoverty programs in our history. And the Council of Economic Advisers tells me that the added incentives and efficiencies in the bill could increase our country's growth rate nearly 10 percent over the next decade. That could mean as many as 4 million new jobs. It could also mean as much as \$600 to \$900 more real income per household each year; \$600 to \$900 each year—now, that could come in handy. So, extra money in your pocket, millions of new jobs over the next decade—how could all of this come just from changing the tax code? Well, let me explain.

You see, the current code—taking up loads of shelf space and filled with paragraphs like the one I just read—is hardly a code at all. It's a hodgepodge of special favors, a product of the great Washington taffy-pull: the favor-seeking and influence peddling. So, it's unfair, yes. But even worse, all this special privilege makes the code the single biggest obstacle to economic growth in our nation today. That's because it thwarts the very people who create wealth and generate new jobs, the people who take a risk, go out on their own with a bright idea and start a new business, those darers and dreamers we call entrepreneurs. But to get their businesses up and running these entrepreneurs need capital—seed money. And many potential investors aren't interested in helping the entrepreneurs precisely because the tax code makes it far more profitable to divert their money into nonproductive tax shelters. Because of these shelters—the fancy schemes and fast angles protected and encouraged by the law—there's less investment in the new products and services offered by the entrepreneurs, products and services that would help the consumer and stimulate growth. So, when you get down to it, the tax shelters aren't really just a break for a lucky few; they're a drag on the whole national economy and a form of hidden taxation on us all.

This new bill would change all this. As that pioneer of economic growth, George Gilder, wrote recently in the *Wall Street Journal*: The new bill would shift the balance of power to productive enterprises, from "the owners of land to the improvers of it, from the experts in sheltering money to the experts in sheltering people, from the structuring of deals to the development of structures."

Right now the Senate has before it an excellent bill framed by Senators Packwood and Long of the Senate Finance Committee and pushed hard by Majority Leader Bob Dole. If we can get that bill adopted, if we can stop the Washington lobbyists from loading it up with the bells and whistles of

special privilege, we hope to get the House of Representatives to agree to it in legislative conference. And that means that I could sign that bill by Labor Day. What a way to end the summer. Bipartisanship—Democrats and Republicans pulling together.

But we need your help. You know, there's a story about the candidate for public office who was once asked why he didn't win the election. "A shortage of

votes," he replied. Well, that's not as silly as it sounds. I hope each of you will help us out. I hope that you'll join me in supporting tax reform and the booming economic growth that will come with it.

Until next week, thanks again for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## Proclamation 5499—National Children's Accident Prevention Week, 1986

*June 7, 1986*

*By the President of the United States*

### *A Proclamation*

Since children are this Nation's most valuable asset, nothing is more important than fostering their development and protecting them from avoidable harm.

It is deeply disturbing that accidental injury is the leading cause of death among children in the United States. More than 10,000 children die each year and thousands more are left with physical damage as a result of accidents.

Experts predict that the incidence of accidental deaths among our children can be decreased by 90 percent by preventing accidental injuries and seeking immediate emergency care when needed. Working together, parents, schools, private and voluntary organizations, and government at all levels can bring about a greater public understanding of this problem and of strategies for solving it.

The Congress, by Senate Joint Resolution 344, has designated the week beginning June 8, 1986, as "National Children's Accident Prevention Week" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning June 8, 1986, as National Children's Accident Prevention Week.*

*In Witness Whereof, I have hereunto set my hand this seventh day of June, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:18 a.m., June 10, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on June 9.*

## Remarks on Receiving the Final Report of the Presidential Commission on the Space Shuttle *Challenger* Accident June 9, 1986

*The President.* Good afternoon, and welcome to the Rose Garden. The members of the Commission on the Space Shuttle *Challenger* Accident have just briefed me on their report. It examines the reasons for the accident. It presents recommendations on what we must do to help prevent such a tragedy from occurring again. And I look forward to reading and reviewing it in thorough detail.

And let me give my heartfelt thanks to the members and staff of the Rogers commission. They've performed their task with distinction, and it was an arduous one. To a nation still suffering from the trauma of the loss of the *Challenger* and her brave crew, it was often a painful duty. Yet the Commission members were resolute. Their investigation was thorough and comprehensive and completed within the mandated time. They went in with their eyes wide open and were unflinching in pursuit of the facts. Though saddened and chastened, our nation will be stronger because of their courage and dedication. And as we push forward in our conquest of space—and push forward we will—our shuttle program will be safer and better prepared for the challenges that lie ahead. I want to thank the Congress for letting the Commission proceed unfettered with its investigation, and also the staff of NASA, the Department of Defense, the Federal Aviation Administration, the National Transportation Safety Board, and others, whose cooperation made the Commission's report possible.

And today we see once again that our true faith as a nation lies in our free and open society. In America we learn from our setbacks as well as our successes. And although the lessons of failure are hard, they are often the most important on the road to progress. We've learned in these past few months that we're frail and fallible, but we have also learned that we have the courage to face our faults and the strength to correct our errors. Because we don't hide our mistakes, we're not condemned to repeat

them. Because we're an open society, we have room to grow. We can count on their courage to pull us through the hard places—I'm speaking now of the American people, because we base our trust on the American people. And that's why we can look to their wisdom, creativity, to show us the way to the future.

This has been a difficult passage for America, but we will go on just as the crew of the space shuttle *Challenger* would have wanted us to. We'll use every ounce of American skill, ingenuity, and gumption; and we'll work twice as hard and be twice as vigilant. We'll simply do what has to be done to make our space program safe and reliable and a renewed source of pride to our nation.

America has a claim to stake on the future. We've suffered a tragedy and a setback, but we'll forge ahead, wiser this time, and undaunted—as undaunted as the spirit of the *Challenger* and her seven heroes.

I thank all of you for being here, and all of you who have given so much. God bless you all. And, now, Bill Rogers.

*Mr. Rogers.* Thank you, Mr. President. Mr. President, Members of the Congress, ladies and gentlemen. Thank you, Mr. President, for your generous remarks about the work of the Commission. On behalf of the Commission, I want to say that it has been an honor and a privilege to have served you and, in so doing, served the Nation. When we accepted this responsibility, we knew the importance of the task. However, we did not anticipate the difficulty of certain aspects of the investigation. The Commission believes that its investigation and report, which has been agreed to by all of us, has been responsive to your request. We hope, Mr. President, that our work will serve the best interests of the Nation in restoring the space program of the United States to its preeminent position in the world.

Thank you, Mr. President.

*The President.* Thank you.



Our Commission is intact here except for one—General Chuck Yeager, who couldn't be with us here today. But we thank him as well as all of these wonderful people, who have done so much.

*Note: The President spoke at 1:33 p.m. in*

*the Rose Garden at the White House. Prior to his remarks, the President met with the members of the Commission in the Cabinet Room to receive the report. Former Secretary of State and Attorney General William P. Rogers was Chairman of the Commission.*

## Remarks to the Georgetown University Center for Strategic and International Studies on United States Assistance for the Nicaraguan Democratic Resistance

*June 9, 1986*

Thank you very much, and good evening. It's an honor to speak to you today before the members and guests of the Georgetown University Center for Strategic and International Studies, an institution whose work so directly affects the security of our nation. I want to commend your founders, Admiral Arleigh Burke and Ambassador David Abshire, and your president and chief executive officer, Joe Jordan, for all they've done to make this institution so worthy of respect. And permit me to commend as well those of you today who are present from the private sector. In supporting CSIS, you do yourselves and your nation a service.

And greetings to Bud McFarlane, Jim Schlesinger, and Zbig Brzezinski [former Assistants to the President for National Security Affairs], men who demonstrate that in its essentials our foreign policy can indeed remain bipartisan. And, by the way, Bud, thanks for the invitation. [*Laughter*] And, of course, warm regards to your honoree, Anne Armstrong, Counselor to two Presidents, Ambassador to Great Britain, Chairman of the President's Foreign Intelligence Advisory Board. No one has set a higher standard of service to our nation than Anne. Congratulations, my friend.

This evening I would like to speak briefly on a matter of central importance to the security of our nation and hemisphere, but a matter, above all, of central importance to the cause of human liberty. I refer to aid for the democratic resistance forces of Nicaragua. Now, I know that each of you is a foreign policy expert and that you've stud-

ied this issue, each of you, in detail; and I value that. But in a complex of politics, in the midst of all the twistings and turnings, one can sometimes discern a moment of impending decision, a moment to reduce the issue at hand to the plain facts and submit, if you will, the closing argument. With your permission, I would like to submit that argument this evening before you and the Nation.

After the nearly 7 years during which the Nicaraguan Communists have held power, there can no longer be any legitimate doubt about the nature of their regime. There is a brave man in Nicaragua, a man who courageously opposed the Somoza dictatorship. And listen for a moment to that man, to the words of Cardinal Obando y Bravo, Archbishop of Managua, as they recently appeared in the *Washington Post*: To consider the Sandinista regime democratic, as Cardinal Obando y Bravo asserts, is "to ignore the mass exodus of the Miskito Indians, who on numerous occasions fled in the thousands. It is also to ignore the departure of tens of thousands of Nicaraguan men and women of every age, profession, economic status, and political persuasion. It is to ignore that many of those who are leaders or participants in the counterrevolution were once leaders or members of the Sandinista front or were ministers in the Sandinista government. It is to ignore the lack of any justification for the most terrible violation of freedom of the press and of speech in the history of our country. It is to ignore

the progressive and suffocating restriction of public liberties under the cover of an interminable national emergency law and the continual violation of human rights. It is to ignore the expulsion of priests and the mass exodus of young people eligible for military service . . . None of this is true of a government that has the sympathy and general support of the people." Well, I might add that not long after Cardinal Obando y Bravo wrote that statement for the *Washington Post*, the Sandinista regime cut off electricity to his office—just one more act of harassment among many scores of such acts visited upon him.

Yet despite the brutal and totalitarian nature of the Sandinista regime, the struggle for freedom inside Nicaragua continues. By the thousands, men and women have moved into the countryside and taken up arms. Indeed, today these democratic resistance forces number some 20,000—four times the number of troops the Sandinistas had in the field when they themselves seized power. In full knowledge, the members of the resistance have chosen to separate themselves from their families and homes, to live in conditions of immense hardship, often with scant water and food, and to expose themselves to the dangers of battle. They fight to liberate their country from a regime that is loyal only to Communist powers. They fight for freedom.

Just as the men and women of the resistance have decided what they must do, so, too, have Gorbachev, Castro, Arafat, and Qadhafi. Soviet military advisers in Nicaragua number in the hundreds. The Sandinistas possess at least six Soviet-built HIND attack helicopters—helicopters that represent, in effect, flying tanks. Cuban troops swarm the streets of Managua by the scores, and the PLO has established an embassy there. Links between the Sandinistas, the PLO, the Libyans, and others are extensive. And let no one forget the photograph of Libya's Qadhafi and the Sandinistas' Ortega. In that photo there they stand, their fists clenched in a salute of solidarity.

The Communists have made their decision; the resistance has made its decision; and now we must make ours. The choice is stark; the choice is unavoidable. We can help our neighbors in their struggle for

freedom, or, by doing nothing, we can abandon them to a Communist dictatorship. Over 3 months ago, I submitted to the Congress a plan to provide the resistance forces of Nicaragua with \$100 million in urgently needed support. More than 2 months ago, the Senate approved the plan. Now, at last, a new vote in the House is scheduled to take place. I want the House—I want the country—to know how much is riding on this decision.

If the House chooses to deny to the Nicaraguan resistance the help it needs and deserves, this will, in effect, grant permission to the Sandinistas to ignore any negotiated settlement and pursue a military victory instead. The final outcome is only too predictable. Backed by a steady supply of arms from the Soviets and Cubans, the Sandinistas will be able to pin down the freedom fighters, surround them, and, in time, crush them. Whatever is left of free institutions in Nicaragua will be utterly destroyed. And upon the ruins of Nicaragua's best yearnings and aspirations, upon the mutilated hopes of her people, a second Cuba—indeed a second Libya—will have been ruthlessly built. We can be certain that tens of thousands of Nicaraguan refugees will seek to inundate our Southern States. More than a quarter of a million Nicaraguans, nearly 10 percent of the entire population, have already fled the country.

But none of this need take place. If the House votes to give the Nicaraguan resistance the support we've proposed, democracy in that nation can be given a chance. Again and again, the freedom fighters have proven their commitment to just this hope. Last month they took steps to broaden their political base and increase their support among the Nicaraguan people. With adequate training and supplies, they could mobilize the oppressed people of their country and win untold new recruits. If only the House votes yes.

Our goal is not—and repeat not—a military solution. Instead we seek to help the freedom fighters achieve only the leverage they need to bring the Communists to the table and negotiate a political and democratic solution. Three times the resistance has already offered to put down its arms

and go to the table. Three times the Communists have said no. The Catholic Church in Nicaragua supports an internal reconciliation aimed at achieving democracy. The Communists have rejected this plan. The Contadora nations have backed a negotiated peace based, again, upon internal reconciliation and democracy. The Sandinistas have refused to grant these proposals serious consideration.

The Communists are intransigent because they believe they can afford to be. Each day the military situation in Nicaragua twists another dangerous degree in favor of the Communists. In the months since we made our initial request for assistance, Soviet-supplied weapons in Nicaragua have mounted, censorship and other human rights violations have increased, and human suffering has grown. And now those who oppose aid must ask searching and painful questions. Can we bear responsibility for such anguish? Can we permit ourselves to acquiesce in the Sandinista tactic of delay, delay, delay?

Again, I must repeat that there is hope. Just 10 years ago, less than one-third of the people of Latin America lived in democracies. Today that figure is 90 percent. Many had written off El Salvador. Others claimed there was no hope in Honduras and Guatemala. Today those nations have their freedom, and today democracy in Latin America constitutes a swelling and life-giving tide. It can still flood its powerful, cleansing way into Nicaragua—the Communist wall against it is high, but not yet too high—if only the House takes action. And I appeal here to Democrats and Republicans alike: The issue is human freedom, and it towers above all partisan concerns. What it comes down to in the end is the matter of witness, of choosing whether to believe those whom we know to be providing us with accurate reports about Nicaragua, or to listen instead to the whispering voices within our own minds that say there is no trouble there. Not because this is the truth, but because

we don't want to be inconvenienced [inconvenienced] by the need to risk action.

Once again that good man Cardinal Obando y Bravo, that foe of tyranny, whether Somoza's or the Sandinistas', has put the case before us. He writes to the editor of the Washington Post: "Your message asking me for an article arrived on Sunday, just as I finished celebrating Mass. During the Mass I read the pastoral letter which we, the bishops of Nicaragua, had written for Holy Week. The pulpit was now our only means of disseminating information, because the letter was totally censored and pulled from the pages of the newspaper La Prensa, the only private newspaper left in the country."

The Cardinal goes on to relate that church offices had been appropriated by government order; that a church printing press had been confiscated by the state security police; that the government had shut down Radio Catolica, the only Catholic radio station; and that even the Sunday bulletin, with the prayers and texts for the day, had been confiscated. "It was at this point," the Cardinal writes, "when the Church was gagged and bound, that your request arrived. The reading for the day pricked my conscience. The Sanhedrin sent for Peter and John, intending to force them into silence. 'But Peter and John said to them in reply, is it right in God's eyes for us to obey you rather than God? Judge for yourselves. We cannot possibly give up speaking of things we have seen and heard.'" Those were the Archbishop's words.

My friends, let us give heed to those in Nicaragua who, like Cardinal Obando y Bravo and so many others, speak to us of the things they've seen and heard. And let us, pray God, move to help them.

Thank you, and God bless you.

*Note: The President spoke at 5:14 p.m. in the Grand Ballroom at the Mayflower Hotel at the Center's annual dinner.*

## Statement by Principal Deputy Press Secretary Speakes on the Conference on Confidence and Security Building Measures and Disarmament in Europe

June 9, 1986

The penultimate round of the Conference on Confidence and Security Building Measures and Disarmament in Europe (CDE) begins in Stockholm on June 10. The 35 signatories of the Helsinki Final Act are charged with adopting militarily significant, verifiable measures designed to increase openness about military activities in Europe, from the Atlantic to the Urals. Implementation of such measures would enhance stability and security by giving all participating States greater confidence in the accuracy of information upon which European security decisions are based.

The President attaches great importance to the CDE as an integral part of our broad concept of security, encompassing political, economic, cultural, and humanitarian issues as well as military matters. He believes that success in the CDE could contribute to improved East-West relations and help to lower the artificial barriers that divide East from West in Europe. He is concerned that, with only 10 negotiating weeks remaining

before the Conference adjourns, the prospects for success are diminishing rapidly, and the opportunities offered by the CDE could be lost. The previous round, which we and our allies as well as many neutral and nonaligned states believed was critical, made minimal progress because of Soviet reluctance to engage seriously in the drafting process.

Upon resumption of the talks, the first task of the conferees must be to decide on the level of ground force and joint arms activities for which advance notice must be given and the measures necessary to verify compliance with such provisions. Western proposals provide extensive information on such exercises and a reasonable verification scheme.

The last moment to resolve this impasse has arrived. The President has instructed Ambassador Robert L. Barry, head of the U.S. delegation in Stockholm, to press for real progress in the Conference in the next round, which ends in July.

## Remarks at a Fundraising Gala for Ford's Theatre

June 8, 1986

Mr. Speaker and Mrs. O'Neill, Mr. Chief Justice, and members of the Cabinet, Members of the Congress, members of the diplomatic corps, distinguished members of the business community—who's tending the store? *[Laughter]*

But Nancy and I are honored to be able to participate in this, the 1986 festival at Ford's. To the performers—I know I speak for everyone watching here and at home when I thank you for a show that started on a peak and went up. By the way, Victor Borge, that business about punctuation, could I try that on the Congress? *[Laughter]* You know—now, Tip—*[laughter]*—we may

have had our differences—*[laughter]*—but I think we can both agree that Ford's Theatre is a wonderful place to be. *[Laughter]* I never played Ford's Theatre. *[Laughter]*

Well, tonight's gala will enable this historic hall, as we've been told, to continue and expand its work in bringing theatre to the heart of our Nation's Capital. And to everyone here tonight, especially the remarkably generous Carl Lindner, Nancy and I are grateful for what you've done. After all, it's our own neighborhood that you're helping to spruce up. To Ford's Theatre chairmen Millie O'Neill, Carol Laxalt, executive producer Frankie Hewitt, and gala chairman

Mary Jane Wick—you've made special efforts, and we want to join in giving you our special thanks. And by the way, congratulations to you, Mary Jane, for your recognition here tonight.

Ford's is a theatre set apart. Seriously, it is a kind of shrine, one of those rare buildings that puts us directly in touch with the great men and events of our past. And what gives this house its sense of presence, what makes Ford's central to the history of our country and indeed of the world, is what took place here one foggy night more than a century ago, up there, in that box.

On the evening of Good Friday 1865, President and Mrs. Abraham Lincoln drove in their carriage from the White House to this theatre through streets so thick with mist that the Lincolns could hardly make out the buildings they passed. And just 5 days before, Lee had surrendered the Army of Northern Virginia, and the long and terrible war was coming to an end at last. On that gloomy night Mr. Lincoln came here seeking some measure of relaxation, some measure of refreshment, from a comedy entitled "My American Cousin." And when the President and his party entered the theatre, an actor on stage ad-libbed a line: "This reminds me of a story, as Mr. Lincoln would say," and the audience roared. When the President and his party entered the state box, no one noticed that a peephole had been dug in the door. And it was during the third act that the shot rang out. And for an instant, no one moved. Then Mr. Lincoln slumped forward. As Mrs. Lincoln reached to support him, John Wilkes Booth leapt from the state box to the stage below—from that box to this stage—and escaped through a side door. Mr. Lincoln was carried to a house across the street. At shortly past 7 the next morning, he died. Lincoln, Father Abraham, was gone.

Is it fitting for us to come here tonight in a spirit of celebration, for this theatre once again to ring out with laughter? I believe that Mr. Lincoln himself would have wanted it so. He loved the theater, his biographers tell us, and nothing could have pleased him more than the performances we've seen here tonight. But more profoundly, it was the message of his life, as it is the message of our history, that joy must triumph over sorrow, that good is greater than evil, that laughter, in the end, must do away with tears.

Some of his harshest critics when he was living as President in the White House assailed him because they said there was too much laughter and he was too prone to joke. And he said, "I could not perform for 15 minutes the tasks that confront me here if I were not allowed to laugh." Well, his laughter in the end must do away with tears, and that's why we're here tonight. That's why we must fill this hall with song and dance and comedy and above all with the most triumphant sound known to man—the sound of joyous applause. And certainly, the people standing behind me here on the stage and behind Nancy have richly deserved that kind of warm and happy applause.

Thank you all for being here. God bless you all.

*Note: The President spoke at 10:31 p.m. at Ford's Theatre. In his remarks, the President referred to comedian Victor Borge's sound-effects rendition of punctuation. He also acknowledged Carl Lindner's \$500,000 contribution to the theatre and the naming of the Mary Jane Wick Endowment Fund for Ford's Theatre, in recognition of her fundraising accomplishments. The remarks were released by the Office of the Press Secretary on June 10.*

*June 10 / Administration of Ronald Reagan, 1986*

## Letter to Congressional Leaders Transmitting a Report on the Situation in Central America

*June 10, 1986*

*Dear Mr. Speaker: (Dear Mr. President:)  
(Dear Mr. Chairman:)*

The enclosed report is transmitted in compliance with the requirements of Section 722(j) of the International Security and Development Cooperation Act of 1985 (P.L. 99-83) and Section 104 of Chapter V of the Supplemental Appropriations Act, 1985 (P.L. 99-88).

The report, with appropriate background, describes efforts by the United States and others, including developments in the Contadora process, to promote a negotiated settlement in Nicaragua; alleged human rights violations by the democratic resistance and the Government of Nicaragua; and disbursement of humanitarian assistance to the democratic resistance (with a classified annex).

During the period covered by the report the Sandinistas continued to obstruct the Contadora process, maintaining their refusal to negotiate a comprehensive, verifiable agreement. The Contadora mediators set June 6 as a deadline for signing a final agreement. The United States has reiterated its support for a comprehensive, verifiable agreement implemented in a simultaneous fashion which is respected by all parties.

During the ninety days covered by the enclosed report the Sandinistas continued their aggression against other countries in the region. In late March the Sandinistas launched the largest border incursion to

date into Honduras, when at least 1,500 Sandinista troops attacked up to 25 kilometers into Honduran territory. At the same time, Sandinista attacks against Indian villages caused some 11,000 refugees to flee to Honduras. As detailed in the enclosed report, the Sandinistas accelerated efforts to eliminate domestic dissent. They increased pressure on the Church and continued to violently harass members of the opposition political parties.

The need for sustaining U.S. support for the Nicaraguan democratic resistance forces is clear. Only in this way can the necessary pressure be applied effectively on the Sandinista leadership to: 1) move it toward serious internal and regional negotiations, 2) prevent its consolidating a Marxist-Leninist totalitarian state allied with Cuba and the Soviet bloc, and 3) cease its continuing aggression against the democracies of Central America.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives; George Bush, President of the Senate; David Durenberger, chairman of the Senate Select Committee on Intelligence; and Lee H. Hamilton, chairman of the House Permanent Select Committee on Intelligence.*

## Remarks at a White House Briefing for Supporters of Tax Reform

*June 10, 1986*

It is a pleasure to be with you. A few weeks ago, the word was out that tax reform was dead, loopholed to death. And today, thanks to the work of Bob Packwood, Russell Long, and some other fine Senators, we're on the edge of a fine step forward. I would like to acknowledge the core group

of Senators who've committed themselves to protecting the tax bill on the Senate floor. Some of them are here this morning—that's those fellows I was shaking hands with. Without the help and commitment of Senators Dole, Simpson, Packwood, Long, Danforth, Chafee, Wallop, Gold-

water, Thurmond, Quayle, Durenberger, Warner, Bradley, Moynihan, Mitchell, Hart, Biden, Kennedy, Rockefeller, and Eagleton, this bill might soon fall prey to the special interests. I want each of you to know how grateful I am for all that you're doing to ensure that this initiative is not sidetracked and that America does indeed take this step forward.

What we do will determine what headlines are written about tax reform. Now, I know that some of you are no beginners when it comes to writing headlines. It reminds me a little bit of the cub reporter—you knew that something would remind me of a story—[laughter]—cub reporter whose first solo assignment was interviewing a fellow who was just going to have a birthday that made him the oldest person in town. And he got to the address—it was an older building out on the outskirts of the city; an elderly gentleman ushered him in. And he sat down, and the reporter determined he was the man. And he said he was there for the interview, and he led right to the matter about how old are you, and the man said, “96.” He said, “To what do you attribute your longevity?” And the fellow said, “I don’t smoke, drink, or run around with wild women.” And at that moment there was a crash from upstairs. And the reporter looked up and he said, “What was that?” And the old boy said, “Oh, that’s dad, he’s drunk again.” [Laughter]

Well, if we work together, we’re going to give the journalists and historians something to write about. The current tax code of the United States is an antiquated relic of a bygone era. The blatant unfairness of the code, loaded to the brim with special interest provisions, contributed to the general cynicism and economic stagnation that prevailed not so long ago. It doesn’t take a Ph.D. to know something is fundamentally wrong when neighbors who earn similar incomes can easily be paying phenomenally different tax bills. And how does a corporate head feel about bearing the burden of a heavy tax load when he discovers his competition is legally paying next to nothing?

We’ve got a chance to clear up many of the inequities and bring down the tax rates of most Americans. And by now you know that what we’re proposing is a tax code

with 2 rates—15 and 27 percent. Eighty percent of the people will be paying either no tax or the lower rate. Maybe we should have said there are 3 brackets—zero, 15, and 27. Most Americans will enjoy a reduction of their total tax obligation. The least fortunate will be taken off the rolls altogether. They’ll be in that zero bracket.

For the business community our tax program represents a pathway to sanity. The current code is a bizarre menagerie, one that runs counter to the interests of good management and a sound economy. It encourages people to channel their resources into tax shelters rather than economy building investment. Businessmen spend too much of their time, effort, and creative genius maneuvering through the system rather than planning for efficient production, distribution, and sales. Our plan is to bring the maximum corporate rate down from 46 percent to 33 percent. At the same time, we’ll be closing off many of the special tax benefits built into the system at the behest of this or that industry. We want to level off the playing field and make it fairer for those who compete within one industry and fairer for those segments of our economy which compete with each other. It wasn’t a good idea for government to take sides in the first place. And I’ve always felt that the best thing government can do for our men and women of enterprise is to get out of their way.

Obviously, this bill will not solve all the problems, but it will be progress with a capital “P.” And we’ve come a long way in these last 5½ years. We’ve brought inflation and interest rates down. We turned our country away from decline and pessimism and put it on the road to growth and prosperity. But there is an old saying: If you stop moving forward, you’ll start falling back. Now’s the time to vigorously and energetically push ahead as never before. New horizons are just beyond our sight. We’ve already enjoyed 3½ years of economic growth. We can with the passage of this tax reform program catapult America into the 21st century with the same optimism and unlimited potential with which we entered the 20th century. Now, regardless of what you’ve heard, I wasn’t around

then. [Laughter]

Seriously, though, the Council of Economic Advisers suggests that this bill will add tremendous incentives and efficiencies to our economy. We could well increase our country's growth rate nearly 10 percent over the next decade, putting as much as \$800 to \$900—I'm sorry, \$600 to \$900 more in real income into the pockets of each household each year and creating as many as 4 million additional new jobs. These results are worth every ounce of energy that we put into tax reform. What we're doing is reaffirming the viability of our system of government. During the last decade there were some who seemed to have their doubts. Well, we've proven the naysayers wrong time and again. America works when we work.

I've had many wonderful experiences during my time in office, but the greatest

thrill has been meeting and getting to know this generation out there of young Americans. I've met them on the campuses and high schools and in churches, in factories, and, just last week, at a Marine base in South Carolina. They're the best darn bunch of kids we've ever had. And what we're doing now is for them. We're going to pass on to them a free, prosperous, and secure America. That's what this is all about. And after what I've seen of them, they'll take darn good care of it when we do. Well, I thank you for all you are doing, and I certainly thank these gentlemen here behind me, these Senators, for what they're contributing to all of this and what they have brought forth.

Thank you all. God bless you.

*Note: The President spoke at 11:48 a.m. in Room 450 of the Old Executive Office Building.*

## Proclamation 5500—Youth Suicide Prevention Month, 1986

June 10, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Our youth are this Nation's hope for the future. Young people have so much to offer society and so much to hope for that their early death is always a keenly felt tragedy. That tragedy becomes even more poignant when a young person takes his or her own life.

During the last three decades, youth suicide rates have tripled. Last year alone, approximately five thousand young people took their own lives, and many thousands more attempted suicide. Their actions left family and friends bereft, heartbroken, and often baffled.

The phenomenon of youth suicide is a national problem. To cope with it we must enlist the combined diagnostic and educational efforts of individuals, families, communities, churches, synagogues, private groups, and government agencies. We must

learn to detect the early symptoms of suicidal tendencies and develop ways of helping those whose depression and despondency could lead to this terrible act. We must continue to combat those tendencies and influences such as the "drug culture" that preach despair and violence and generously offer help and counsel to young people beset with problems of adolescence. We should not neglect to pray for young people tempted to end their own lives as the "easy way out."

The Congress, by Senate Joint Resolution 266, has designated the month of June 1986 as "Youth Suicide Prevention Month" and authorized and requested the President to issue a proclamation in observance of this event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of June 1986 as Youth Suicide Prevention Month. I call upon the Governors of the several States, the chief officials of local governments, and



the people of the United States to observe such month with appropriate programs and activities.

*In Witness Whereof*, I have hereunto set my hand this tenth day of June, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United

States of America the two hundred and tenth.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:09 a.m., June 11, 1986]

## Remarks to Participants in the Young Astronauts Program June 11, 1986

Thank you, Jack. Secretary [of Education] Bennett, Jim Fletcher, the Director of NASA, and thank all of you. It's wonderful to be here with you. And after seeing your exhibits out there and all of you here and what you are interested in, I have to think that I wasted a lot of my younger days shootin' marbles. [Laughter]

You know, the Air and Space Museum is one of my favorite places in the whole world, and I have a hunch that you feel the same way. Here are the aircraft, the jets, and the spaceships that broke the records, that went farther and higher and stayed up longer than any before. And these rooms are a living history of almost a century of progress and scientific achievement.

But you know, each one of these air and space ships needed a pilot to fly it to fame and glory. And without the spirit of adventure that animated these heroes of aviation, these flying machines would never have gotten off the ground. Men would have remained forever a slave to gravity, a prisoner of two dimensions on the Earth's surface.

And just above you is the plane that made the first powered flight: the Wright brothers' *Flyer*. That wasn't many years before I was born. The Wright brothers' first flight lasted only 12 seconds and covered only 120 feet—and that is less than the wingspan of a 747—but that short flight transformed the world. Right above you, too, is the *Spirit of St. Louis*. That's the plane in which Charles Lindbergh made his lonely flight across the cold waters of the North Atlantic. I remember well the headlines and celebration when Lucky Lindy, as we called him, touched down safely in

Europe. And there in back of us to my right you can see the Orange Bell X-1 in which Chuck Yeager broke the sound barrier and proved he had "the right stuff." And then here, too, are the capsules that first carried man into Earth orbit. And over there to my right you can reach out and literally touch another world: a piece of rock brought back from the Moon by our Apollo astronauts.

These magnificent men and their flying machines have enlarged our world. They gave mankind wings so that he could soar like his spirit, and they have immeasurably enriched all our lives. But this epic advance into the future has also been a tale of brave sacrifice. Chuck Yeager would be the first to tell you his conquest of the sound barrier was made possible by many fearless test pilots before him, not a few of whom sacrificed their lives in the hazardous line of duty. It was only after we lost three of our honored Apollo astronauts in a fire on the launchpad that we landed on the Moon. And we all remember too well that tragic day last January when we lost the brave crew of the *Challenger*. How our nation mourned. And yet even in our grief, we immediately set about our duty, finding the cause of the accident, doing everything humanly possible to prevent such a tragedy from ever happening again.

The investigation was expeditious and thorough. We learned again that we're far from perfect, that we're frail and fallible. We make mistakes, but we will not hide from our errors. Though saddened and chastened, our nation and our space program will be stronger because we have looked our faults straight in the face and we

have done what must be done to correct them.

So, yes, we're going ahead with a space program worthy of the memory of the *Challenger Seven*. Their commitment to excellence will guide us on to new and even greater achievements and conquests. For our journey into space we have a copilot now: the memory, the spirit of the *Challenger Seven*. We will make our space program safe, reliable, and proud—just as the *Challenger Seven* would have wanted. Our commitment to space hasn't and won't slacken one bit. In fact, it's strengthened. Because with their memory in mind, we're not only going to do everything we planned to do before, we're going to do it better.

You know, after the shuttle disaster, many supportive calls and letters flowed into the Young Astronaut Council from young people like yourselves—maybe some of you. One Eskimo child from Mount Village, Alaska, said, "If our ancestors had been afraid to cross over the ice, we wouldn't be here today." "We should honor the brave astronauts who seek their dream," wrote another—"I want to join the Young Astronaut Program and find my dream." And an 11-year-old boy from Daly City, California, wrote, "If we stop going into space, people everywhere will die a little in their hearts." Well, I want to make a pledge to you Young Astronauts today: I promise you now, we're not stopping. The wealth of technological know-how and ability at NASA are some of America's most important national resources, and the heart and dedication of NASA's staff are one of America's great inspirations. We will make necessary changes and improvements, and NASA will continue to be in the vanguard as America fulfills its destiny in space.

Let me tell you about the future. Not only will we maintain our commitments to our national security and civil government satellite launchings, but we're also actively encouraging the private sector to begin its own space ventures. We're going to let the American spirit of enterprise loose in the limitless frontiers of space. And we're going to build a manned space station for the 1990's. That model, I think, is above me here and to the left. Some of you Young Astronauts could be its first inhabitants.

And some of you may even pilot the spaceplane that we're building so that we can commute up and down to our new homes in the sky. The spaceplane will be a hypersonic marvel that can take off from a standing runway, accelerate up to 25 times the speed of sound, and break into Earth orbit. We should have the first test model ready about 1993. And if any of you are its pilot, I'd like to have you take me along for a ride. [Laughter] Nancy says I'm good company, and—[laughter]—sometimes I can make people laugh when I tell stories.

This may sound like dreaming; well, it is—the sort of dream that comes true. You know, I've lived through a sizable chunk of this 20th century, and I've seen some mighty big changes in my lifetime. Believe it or not, I can remember the first time I ever heard a sound brought from radio. I was about the age of some of the older ones here—in high school—and there was a young man—a little older—in our town. He was quite a scientist in his own development of himself. He was an experimenter, like so many of you, and he built himself a little crystal radio set. There was no such thing then as a manufactured, or factory-built, radio set. You couldn't go into a store and buy one. There were people like this young man who'd experimented and had created these sets. You didn't have a loudspeaker; you had to put on earphones to hear if they could find anything. And there was the earliest radio station in America—Pittsburgh, Pennsylvania. And so, we walked all over town with him on a Sunday afternoon—several of us. And he had an aerial he kept holding up trying to find, out of the air, some sound. And down by the river in Dixon, Illinois, suddenly he turned the earphone around so we could hear, and we were hearing orchestra music. And it was coming from KDKA in Pittsburgh—as I say, one of the first—the first radio station.

Now, to show you how fast things advance—9 years later I got my first job, after graduating from college, as a radio sports broadcaster. Radio had become an institution; everybody in the land could listen to radio. There were hundreds of radio stations. And it was a great industry, a national institution, with programs and radio stars

known nationwide because of its enormous impact—and all in those 9 years.

Since then, the pace of technological progress has become ever more rapid, and the changes that I've seen in my lifetime will be dwarfed by the changes you see in yours. I envy you that. But the experiments I saw on my way in convince me that many of these changes will be made by the young men and women—the Young Astronauts—right here in this room. As you know, 1992 is designated International Space Year. We chose that year because it's the 500th anniversary of Christopher Columbus' discovery of America. Each one of you young astronauts, scientists, and experimenters is a future Columbus, an explorer of the 20th and the 21st centuries.

Remember this: When we come to the edge of our known world, we're standing on the shores of the infinite. Dip your hand in that limitless sea; you're touching the mystery of God's universe. Set sail across its waters, and you embark on the boldest, most noble adventure of all. Out beyond our present horizons lie whole new continents of possibility, new worlds of hope

waiting to be discovered. We've traveled far, but we've only begun our journey. There are hungry to feed, sicknesses to cure, and new worlds to explore. And this is no time for small plans or shrinking ambitions. We stand on the threshold of an epic age, an age of technological splendor and an explosion of human potential, an age for heroes. And I think I'm seeing many of them right here in this room.

The dreams of your parents will become your realities. The future we can only conjecture, you will be able to reach out and touch—just like that piece of moonstone. You Young Astronauts will be our pilots into the future, and it is our hearts you will carry with you on your voyage to the stars.

Thank you. God bless you all. Thank you very much.

*Note: The President spoke at 11:38 a.m. in the Milestone Gallery at the National Air and Space Museum. Jack Anderson, chairman of the Young Astronaut Council, introduced the President. Prior to his remarks, he toured a display of the children's science projects.*

## Nomination of Kathleen W. Lawrence To Be Under Secretary of Agriculture and a Member of the Board of Directors of the Commodity Credit Corporation

June 11, 1986

The President today announced his intention to nominate Kathleen W. Lawrence to be Under Secretary of Agriculture for Small Community and Rural Development and to be a member of the Board of Directors of the Commodity Credit Corporation. She would succeed Frank W. Naylor, Jr.

Since 1983 Mrs. Lawrence has been with the Department of Agriculture as Deputy Director, Office of Rural Development Policy. From 1984 to the present, she has been serving as the Deputy Under Secretary of Agriculture for Small Community

and Rural Development. Previously, she was the president of the Lawrence Co., a management consulting firm that she started, in Alexandria, VA, 1978–1981; executive director, National Federation of Republican Women, 1975–1976; and executive assistant to the president, National Retail Merchants Association, 1973–1974.

Mrs. Lawrence attended Queens College and the University of Virginia. She is married, has three children, and resides in Alexandria, VA. She was born December 7, 1940, in New York City.

## Appointment of Two Delegates to the National White House Conference on Small Business

June 11, 1986

The President today announced his intention to appoint the following individuals to be delegates to the National White House Conference on Small Business:

*Joseph Profit*, of Georgia. Mr. Profit is president of Communications International, Inc., in Norcross. He graduated from Northeast Louisiana University (B.S., 1971). Mr. Profit is married, has two children, and resides in Atlanta, GA.

He was born August 13, 1949, in Monroe, LA. *Milton D. Stewart*, of Arizona. Mr. Stewart is president of the Small Business High Technology Institute in Phoenix. He graduated from New York University (A.B., 1941), Columbia University (M.S., 1942), and George Washington University (J.D., 1953). Mr. Stewart is married, has three children, and resides in Phoenix, AZ. He was born on March 5, 1922, in Brooklyn, NY.

## The President's News Conference

June 11, 1986

*The President.* Good evening. Please be seated. I have an opening statement.

### *The Nation's Economy and Aid to the Nicaraguan Democratic Resistance*

I want to say a few words tonight about three important issues that are now before the Congress. We've reined in government spending, and with Gramm-Rudman we can look forward to a disappearing deficit by 1991. But there are still a few obstacles in the way on our road to a balanced budget. Rather than make the sensible adjustments we've suggested, some in Congress apparently intend to take large and dangerous cuts out of our national defense. And again we hear that constant refrain coming out of Washington: Raise taxes. Well, it's time for Congress to take a responsible approach to spending decisions. And when it comes to taxes, let's get into the spirit of the times. I've said it before, and I'll say it as often as it takes: I'll veto any tax hike that comes across my desk. Not only will we not raise taxes before I leave office, I plan to make sure we have a balanced budget amendment that puts a permanent lid on taxes and doesn't let the Government grow any faster than the economy.

So, we've made progress, but we have a ways to go on the budget. I'm glad to say, though, that we're moving on tax reform

that will achieve fairness and promote growth. We're looking at a tax reform bill in the Senate that's quite simply one of the best antipoverty programs, one of the best job creation programs, and one of the best profamily bills this country has ever seen all rolled into one. I hope the House and the Senate will move quickly to bring this bill into law so America can make a fresh start in 1987—and even lower tax rates, even more jobs, and even stronger growth.

Finally, there is the upcoming vote on aid to the Nicaraguan freedom fighters. Congress must understand the urgency of the situation in Central America. Delay is deadly and plays right along with the Communist game plan. Because while we may have tied our own hands, the Soviets, Cubans, and Libyans haven't tied theirs. With over \$1 billion of support and some of the most fearsome weapons in the Soviet arsenal, the Communist strategy is simple: Hold off American aid as long as possible in the hope they can destroy all opposition before help arrives. It's time for an up-and-down vote on freedom in Nicaragua, an up-or-down vote on whether the United States is going to stop Soviet expansionism on the American mainland while the price is still not too high and the risks are still not too great. We must act now in a bipartisan way to do the right thing: to rescue freedom in

Nicaragua and protect the national security of the United States.

And now, Helen [Helen Thomas, United Press International], it's your turn.

### *Arms Control*

*Q.* Mr. President, your decision to tear up the SALT treaty by the end of the year has caused great consternation among the allies, among Members of Congress on both sides of the aisle, among others who fear that you are creating a more dangerous world. My question is: Is this decision irrevocable? And I'd like to follow up.

*The President.* Well, Helen, I have to say that I can understand why they would be distressed with the way the news has been carried. But let me go back to what the situation really is.

First of all, this treaty, which was signed 7 years ago, was never ratified—well, it was more than 7 years ago, I guess. But for 7 years there is supposed to have been this restraint and this observance of the—or observance of the treaty's terms. And for 7 years this country has been doing that. The Soviet regime, for 7 years, has been violating the restraints of the treaty. We found it necessary to—or advisable to do away with two Poseidon submarines as we launched the last Trident. But that, I had to make plain, while it did keep us within the constraints of the SALT agreement, that wasn't the reason. Had there been no SALT agreement, we would have done away with those two submarines because—or dismantled them because of the cost and the military value of them, or lack of it.

But then what I said was that before we reached another point where this might be an issue at all, several months away, which has to do with the arming of the 131st B-52 with a new air-launch cruise missile; and in the interim period I said that we could not go on unilaterally observing the constraints while the Soviet Union violated them and gained even greater superiority over us; and that we were going to be bound from now on by the necessity of maintaining a deterrent. We're not seeking to achieve superiority over them, but we're certainly not going to let them go on increasing their superiority over us. But I said—because we have these several months before that

moment comes up—that we were going to do our utmost—since they themselves have talked of arms reductions—that we were going to do our utmost to see if we couldn't involve them in replacing this SALT treaty, which, first of all, was never ratified, as I said, but, second of all, would no longer be in power if it had been ratified, because it was stated for a limited period of time—that, if we could replace that with a realistic program of arms reduction, which has been my goal ever since I've been here. Now we have the first Soviet leader, to my knowledge, that has ever voluntarily spoken of reducing nuclear weapons. And we want to follow up on that.

*Q.* Well, it sounds like you are going to tear it up, Mr. President. Do you agree with [Assistant Secretary of Defense] Richard Perle, who branded as Soviet supporters Members of Congress who want to keep you within the limits of this treaty?

*The President.* I'm not going to make any comment on anyone who wants to keep this. But I did find it rather strange that some of the Senators who spoke very critically of me, without really understanding what it is that I've tried to explain about this—some of them were Members of the Senate when they refused to ratify the treaty to begin with.

The treaty was really nothing but the legitimizing of an arms race. It didn't do anything to reduce nuclear weapons or the nuclear threat. All it did was regulate how fast and how much we could continue increasing the number of weapons. So, I was always hostile to that particular treaty because it did not reduce weapons, and that's what we're going to do. But again, as I say, the Soviets have an opportunity to meet us now with regard to some of the very things they've been proposing—arms reduction. And we will observe the constraints to the same extent that the Soviet Union does. But we can't go on unilaterally observing this while they take off on their own with the violations that they've already made, and probably more to come.

Mike [Mike Putzel, Associated Press]?

### *Future of the Space Shuttle*

*Q.* Mr. President, NASA is awaiting your

decision on how to replace the *Challenger* spacecraft. Could you tell us tonight how you would finance a fourth orbiter? And if you can't tell us that, could you explain what's holding up your decision?

*The President.* Well, for one thing, we're studying the report that we've received, and there are many things that have to be decided. There is a backlog now of space cargo that is supposed to be up there. And we have the problem of determining whether we shouldn't increase the number of unmanned launchers, for many of those things, that could put them in space, and then see where we can come with the—believe me, I want to go forward, and I think we all do, with the shuttle program. But how soon we can get to that is a question, and in the meantime should we emphasize more of the unlaunched [unmanned] to move on that backlog that we have of cargo that needs to get into space. So, I don't have an answer for you on this except that, yes, I think we should go forward with another shuttle.

*Q.* If I may follow up, sir: Would you insist that fourth orbiter incorporate all the recommendations of the Rogers commission when it is built?

*The President.* Well, again, we're still in the midst of studying that now that we've just received it. So, I can't answer something as specific as that about that.

Jerry [Jeremiah O'Leary, Washington Times]?

#### Nicaragua

*Q.* I have a two-part question, sir. You've left no doubt through your public statements of your determination not to permit Nicaragua to become another Communist Cuba or a Libya. What means are left to the United States if the *contras* are defeated by any means whatever? Is a naval quarantine possible?

*The President.* I couldn't and, Jerry, wouldn't comment on anything that might be further actions for us, because I don't think you could do that without informing them of anything we're thinking. And right now we have not planned for any contingency beyond aiding the *contras*, because we think that—I've got to stop using that word. That was the Sandinistas' title for

them, and I don't like to do anything they're doing. So the freedom fighters, we believe, with all the information that we have, that they are capable of, at the very least, applying sufficient leverage that they could bring the Sandinista government to a negotiating table for a settlement. We would prefer that over a military settlement, if that can be done. We know that there are thousands of recruits that are waiting to join the freedom fighters, and they need the weapons and ammunition and so forth for them.

#### Soviet General Secretary Gorbachev

*Q.* And the other part of the question is: This week in a speech you likened Mr. Gorbachev to Castro, Arafat, and Qadhafi. And I'd like to ask what effect you think this statement would have on future relations with the Soviet Union and a possible summit? I'm talking about the Georgetown speech.

*The President.* Yes, but I didn't think I lumped him in with them.

*Q.* It was in the speech.

*The President.* I certainly—then it was a bad choice of words, because I didn't mean to do that. As I've said, he is the first Russian leader, to my knowledge, that has ever voiced the idea of reducing and even eliminating nuclear weapons. So, I must have goofed some place, because, believe me, I don't put him in the same category.

Gary [Gary Schuster, CBS News]?

#### Life-Prolonging Medical Treatment

*Q.* Mr. President, with the Supreme Court's decision today allowing a woman to have an abortion—yet again another Supreme Court decision—will your administration let this be the law of the land, or are you going to look for another case to press your position on this matter?

*The President.* Now, wait a minute. Hit me again here. I think I was still answering Jerry's question.

*Q.* Well, the Supreme Court decided today to not interfere with a woman's right to have an abortion.

*The President.* Yes. Yes.

*Q.* Is your administration going to pick another case to fight this position, or are

you going to let it stand as a law?

*The President.* Not a case. If we interpret the decision right of the Court, their objection was not to what we were trying to accomplish, but the fact that, evidently, the regulations from HHS that we asked for were based on that previous bill that had to do with discrimination against the handicapped. And they, the Court, said they thought that this was putting the Federal Government—they were getting into something that properly was the province of the State and all.

So, what we have to do is look for what is the proper way we can do this. Because I feel very strongly that we're talking about a human life. And the case that prompted this entire act was one in which the determination is made that this life is to be taken away. And yet it isn't done as you would with an animal. It isn't done with a merciful putting-to-sleep or doing it—they can't do that. So, instead, they just let it starve to death. And I just don't think that if our Constitution means anything, it means that we, the Federal Government, are entrusted with preserving life, liberty, and the pursuit of happiness. Well, where do we draw the line? Can we say to someone, "It's all right for you to, in whatever way you choose, dispose of this human life, and for whatever reason?" And I just don't think we're finished with this problem at all.

#### *Arms Control*

*Q.* Mr. President, if I could pursue the questions on your decision on the SALT treaty: On one hand, you're saying that the Soviets have continued to increase their superiority over us. On the other hand, you said that the treaty did not constrain either side in terms of the arms race and was one of the reasons you were not for it. It really can't be both ways. At the same time, we've had a massive defense buildup, the Reagan defense buildup. Which way is it? Have the Soviets been able to increase superiority over this period of time, or has the treaty not been able to stop them?

*The President.* No, it hasn't been able to. The treaty actually set limits, as for example, that you could only have one new type of weapon now that you could develop that didn't exist. And they have developed two

instead of one. And this was a violation. It also set numbers and figures so that it was a restraint to the extent of just not an all-out arms race with no limit on the way you could progress. But when you say about achieving, remember, we're still playing catchup. They were building when we were dismantling. And we feel that, as I've said before, there's no way that we can allow them to reach for and get a superiority. And we don't want a superiority over them. But also we simply want to maintain enough of a deterrent that even with whatever superiority they have it won't be enough for them to take the chance on the followup action that could happen.

*Q.* If I could just follow that up: At the same time, your own arms control director, Mr. Adelman, has said that the Soviet violations have not had any great military significance. What is the possibility now, since the violations themselves—which have been disputed by some people as to their significance—what is the possibility that by abandoning the treaty now, which is, as you just admitted, has some limited significance in providing some degree of predictability, that we won't go into a complete arms race now? What's to replace SALT at this point? And why make this decision now?

*The President.* Didn't make it now. I said we've got several months here in which we're going to try to involve them in the things they themselves have been talking about—and that is a definite arms reduction program. This is the only thing that makes sense in the world, and I've been talking about this since 1980. And I said I was sick and tired of agreements that just said, "Well, we'll only go at this pace in our increasing the number of weapons." Let's get around to getting rid of them as much as we can.

Chris [Chris Wallace, NBC News], yes. I promised you when you were shouting.

#### *Hunger in the United States*

*Q.* Thank you, sir, for remembering. A couple of weeks ago you said that the problem of the hungry people in America is not due to the fact that they don't have food and the ability to get food, it's that they don't know where to get it. And some poor

people we talked to at the time said you're blaming the hungry people for being hungry—you're putting the blame on them.

*The President.* Well, I don't know who those people were, and I do have to say that I think there are people who lack the information—people out in the country that maybe don't know. And we've had plenty of evidence of that. But the simple truth of the matter is we are spending on nutrition more than has ever been spent before, and more than \$3 billion over and above what was spent in 1981—\$18.6 billion, I think, it is this year that is being spent on this program. But in the interim, during this same time that we've been increasing, the private sector has gone all out in programs, all over the country, of meals for the hungry. Today the Federal Government is providing—I think it's 93 million meals a day. And that does not count all those private agencies, too. So, I think there is considerable merit for saying that it's difficult to believe that people are starving in this country because food isn't available. As I say, I think that in many instances the people just don't know where or how to go about it. And at the same time I find it difficult, also, to find any cases of starvation and undernourishment.

*Q.* But, sir, if that is the problem, public education, why then did you cut out the one Federal program that did just that—educate hungry people, educate the rural poor, educate elderly shut-ins, about how to get food assistance? It was there, and your administration cut it out.

*The President.* Because that was a case of simply the food stamps. And that's a program in which I think most people are aware of food stamps. And their neighbors are doing it in many cases, if they haven't done it yet. And this was one in which they had us literally going door-to-door, knocking on the door to tell people how to become eligible or "Have you gotten your food stamps today?" And we thought it was a waste, that we'd rather buy more food stamps and pay for more food stamps than pay for the bureaucracy to do a thing of this kind.

Lesley [Lesley Stahl, CBS News]?

#### *Arms Control*

*Q.* Mr. President, you've just said that you really haven't made the SALT decision yet. And I think there's a lot of confusion as to exactly where we stand on the SALT decision. Are you going to go over the limits of the SALT decision, or are you going to dismantle another submarine and stay within the limits? Exactly what are you going to do on SALT?

*The President.* Well, Lesley, you're asking something—yes, we will have a plane coming up to be armed with a cruise missile that would put us, to that extent, beyond the constraints of the limitation. Now, we've got several months before we reach that point. We've got several months in which to see if the Soviet Union—we have taxed them over and over again with regard to their violating the constraints. Now, on that basis we're going to see if we cannot persuade them to join in the things they're talking about: arms reduction. And if nothing is done, then we'll make the decision with regard to that plane.

*Q.* There are reports that today in Geneva the Soviets made a new proposal on reducing long-range strategic missiles. Is this the kind of proposal you've been looking for, and has it changed your opinion of what you're going to do on SALT?

*The President.* I can't comment on it because of the confidentiality of the situation there in Geneva. But, yes, as of today we have received this proposal. And now we're going to study that and see what they have in it.

Sam [Sam Donaldson, ABC News]?

#### *Space Shuttle Challenger Accident*

*Q.* Mr. President, the Rogers commission detailed a series of actions and inactions leading up to that shuttle disaster of individuals who knew that the O-rings had a problem, but did nothing about it and, in the last 24 hours before the launch, of engineers from Thiokol saying it's unsafe to launch—don't launch, but of pressure being put on Thiokol to reverse it. And yet William Rogers seems to think that the individuals involved should not be punished further, their culpability should not be established. Do you agree?



*The President.* Yes, I do. We are still studying that report of theirs. But I don't believe that there was any deliberate or criminal intent in any way on the part of anyone. I think that with the great record of success that NASA has had—going all the way back to when men circled the Earth in those capsules and then to men on the Moon and now 24 successful shuttle flights—I think there was a complacency there. And, yes, it's something that has to be corrected before another one of those takes off again. But I think it was just a carelessness that grew out of success. And I think that it's time for us also to remind ourselves of the tremendous record that NASA had and help now in the restoration of the program and their going forward and to see that this cannot happen again. I've often wondered this: if part of it wasn't due to the balmy climate of Florida and that it was difficult for anybody to believe that they'd had a cold snap that could render that O-ring dangerous.

*Q.* Well, sir, if I may: In our society if an engineer of a train falls asleep at the switch, we pursue him for negligence. If bus drivers—all through our society when people do things, even though they don't mean to kill anyone, as you've said in this case—they're brought into court if there's evidence that they've been negligent in some sort of criminal fashion. Why should these people be exempt from that kind of just review?

*The President.* Well, Sam, let me plead waiting until we see the entire report—until we've had a chance to read all of the testimony and everything else before making a decision. We've put a man in there that we believe is going to do much. I've got to call on at least one red dress.

#### *Safety of Americans Abroad*

*Q.* Thank you, Mr. President, and I will have a followup. Immediately after the U.S. attack on Libya, you were particularly grateful to Prime Minister Thatcher for her help in allowing the United States to let airplanes take off from the U.K. Since then American tourists have been staying away from England and Europe in droves, and Mrs. Thatcher has made a personal plea for Americans and their dollars to come back to the Continent. Do you think that it's safe in

Europe for Americans to return? And will you tell Americans whether they ought to go overseas this summer?

*The President.* You've asked me a very tough one in my position with what we know about the dangers throughout the world. I certainly don't want to be quoted as advocating a tourist rush in the face of the world the way it is. I'm going to be rather bold and just tell you that our Ambassador has recently had a little talk, or something, that was carried in the Los Angeles Times. And it was to the effect that he believed that London was probably one of the safest cities in the world and that he saw no reason for anyone to be fearful of that. Well, I have not argued with him on his making that point.

#### *Statue of Liberty*

*Q.* My follow, then, is that we also read about the extraordinary security precautions that are going to be taken for the Statue of Liberty festivities July 4th. Are you concerned that perhaps that's a pretty delectable domestic target?

*The President.* Yes, but I also have a great deal of confidence in our security people. And I can see where they would think that that would be a very inviting target for those who hate us in the terrorist ranks and think that they might be able to embarrass us that way.

Yes?

#### *Discrimination Allegations at the Agriculture Department*

*Q.* Mr. President, the Agriculture Department has been severely criticized for its treatment of minorities in employment and service delivery. This, despite your saying that you would not tolerate discrimination in the Federal Government. What are you going to do about the Agriculture Department?

*The President.* Bob [Bob Ellison, Sheridan Broadcasting Network], it's already being done by the Secretary of Agriculture. He's heard these allegations, also. And as I understand it they were allegations with regard to not being as fair as they should be with regard to women employment and, on a racial basis, to black employment. And the

Secretary sorted all the farflung and various agencies of the Agriculture Department, and an investigation is underway right now to see if that's true—because he absolutely has sworn if it is he's going to correct it, because he doesn't want any discrimination either.

*Q.* What will you do to ensure that these things are carried out?

*The President.* That they are what?

*Q.* That they're carried out—

*The President.* Well, because I feel as strongly as he does about that. I'm going to be watching this very carefully. I don't want any hint or sign in our administration that there is any kind of discrimination of that kind. And I think I've got a record that should make you willing to believe that. Because as a Governor in California, I eliminated a kind of quiet discrimination that had seen an unfair balance in employment and ended up appointing more members of the minority communities to executive and policymaking positions than all the previous Governors of California put together. So, yes, I'm going to ride herd on this, but I have great confidence in the Secretary of Agriculture, because he was doing this in California at the same time that I was Governor.

#### *Arms Control*

*Q.* Mr. President, the Warsaw Pact is said to be offering to withdraw a million of their troops that face us in the West. For those of us with families in Europe that sounds like a lot. I know that you always like to deal with these offers in the confidentiality of Geneva. But isn't it perhaps time, bearing in mind that nothing seems to have come out of Geneva for over a year, to go with an offer like this, run with it and see what happens?

*The President.* You mean the offer that has just been given in Geneva?

*Q.* Correct.

*The President.* Well, as I say, there have been offers, and we have made counter-offers; much in the same thing and with pretty much the same end result as to numbers of weapons. And where the difficulties seem to come in is the Soviet Union and the United States have somewhat different mixes of weapons that we believe are essen-

tial to—well, for theirs, we believe theirs is based more of an offensive nature. We believe ours is based more on a deterrent idea. And so, sometimes we run into difficulties then in reconciling some of the means of getting to the same number of warheads being eliminated.

This has kept us from having an agreement so far. Now this last agreement has come in, and we don't know yet until we see it carefully—is it a response to one of our counteroffers? Does it in some way change some of their proposals and bring us closer to a negotiated position? And this is what we want more than anything. So, you can depend on it that we're going to make every effort. But it must be fair and balanced. It must not be an agreement in which one side is trying to maintain or increase an advantage over the other.

#### *Soviet-U.S. Summit Meeting*

*Q.* Sir, doesn't this make it all the more important to see Mr. Gorbachev as soon as possible this year?

*The President.* That's what I'd like. In fact, we're waiting to hear when this can take place. We suggested a date, and evidently it was too early for them. They didn't suggest, but they spoke publicly about a possible date, and that was wrong for us because of the coming political campaign. But we still, and I still, believe that he wants a summit and I want a summit, and I believe it's going to take place.

I better spread around here someplace.

*Q.* Mr. President—

*The President.* No, no—there. With the red flower.

*Q.* With the red flower or the red coat?

*The President.* Red flower.

#### *Pollard Espionage Case*

*Q.* Mr. President, the Pollard spy case has precipitated some confusion within your administration over the matter of how much Israeli spying there is in this country and if it goes beyond the Pollards. The Justice Department officials are telling us that it goes beyond the Pollards, and they're continuing their investigation. The State Department officials have told us that there's no more Israeli spying here, and they're satisfied,

and they seem to want to put an end to it. I wonder if you could clear up this confusion.

*The President.* The only thing I know is that the Israeli Government has assured us, as much as they can, that they have never had any program of trying to get intelligence information from our country or doing any spying on us. And so far, as I say, the Justice Department has said they will look to see if there is anything that they can find out. But so far there's been no evidence presented to us from anyone.

*Q.* Well, what if they do come up with some evidence? What would you do?

*The President.* Well, then, I think we'll have to deal with that then and find out whether it's a surprise to the Israeli Government, whether someone was off playing their own game or not.

#### *Mexico's Foreign Debt*

*Q.* Federal Reserve Chairman Volcker made an unannounced trip to Mexico this week to discuss that country's financial problems. Are you worried that Mexico might unilaterally default on payments or totally default on its foreign debt?

*The President.* Well, I think this is a possibility with not only Mexico but a number of other countries that are having these debt

problems—and much based on the high interest rates of the past before we reduced inflation. And obviously, we'd like to be of help to them within the framework of the agreements that were reached in Korea by Secretary [of the Treasury] Baker. And we want to be of help as much as we can. Mexico is a next-door neighbor; our fortunes are linked on many fronts. And so, we want to be of as much help as we can. And that was the reason for his trip.

It's over already?

*Q.* Do you want to stay?

*Q.* You're welcome to stay, Mr. President.

*Q.* Stay, stay.

*The President.* Why don't you ask questions that can be answered yes or no?

*Q.* I've got a good one.

*Q.* I have one that can be answered yes or no. Do you want them to take away your IRA deduction?

*The President.* I can't take any more questions.

*Q.* Do you have an IRA? An IRA?

*The President.* No.

*Q.* You don't?

*Note: The President's 37th news conference began at 8 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.*

## Statement by Principal Deputy Press Secretary Speakes on Proposed Warsaw Pact Troop Reductions in Europe June 12, 1986

The Warsaw Pact statement regarding troop reduction was made at a Warsaw Pact meeting in Budapest yesterday. This has apparently been agreed to by Warsaw Pact leaders but has not been presented for a detailed Western review in any of the conventional arms control fora. That would be not yet in Vienna, where MBFR is being considered, or CDE in Geneva, or the Conference on Disarmament in Stockholm.

We find the ideas, as reported, of interest and would welcome the opportunity to ana-

lyze concrete proposals embodying them. We would note, however, that the Warsaw Pact has not responded fully to a more modest, but more concrete, NATO proposal last November at Vienna for a first step toward conventional reductions.

That proposal, last November, involved initial reductions of U.S. troops by 5,000 and Soviet troops by 11,500 with a 3-year, no-increase commitment on forces in the zone. Also, it called for a development of a verification regime over 3 years and the

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development of an agreed data base on which future reductions would be calculated.

*Note: Larry M. Speakes read the statement to reporters at 9:30 a.m. in the Briefing Room at the White House.*

## **Statement by Principal Deputy Press Secretary Speakes on the Situation in South Africa**

*June 12, 1986*

We have noted the action by the South African Government this morning. We call on both sides again to use restraint, to avoid violence, to enter into a dialog, to work out a negotiated settlement to the problems that exist in South Africa. The State Department early today was in contact with the Embassy. The Embassy will be in contact

with the South African Government.

*Note: Larry M. Speakes read the statement to reporters at approximately 9:33 a.m. in the Briefing Room at the White House. The South African Government had declared a state of emergency in response to domestic violence.*

## **Statement by Principal Deputy Press Secretary Speakes on President Reagan's Meeting With Members of the President's Blue Ribbon Commission on Defense Management**

*June 12, 1986*

President Reagan met today with David Packard and the members of the President's Blue Ribbon Commission on Defense Management. Mr. Packard briefed the President on the contents of the Commission's final report, which will be submitted to the President on June 30.

In his briefing, Mr. Packard noted that much progress has been made in implementing the Commission's recommendations within both the government and industry. Mr. Packard was especially pleased that a group of 24 major defense contractors has developed a code of ethics and procedures to review compliance with the code, in line with the recommendations of the Commission's interim report. He hopes that other firms will join this important initiative. The Commission will address the industry initiative in its final report to the

President. Mr. Packard also noted that the Commission will soon publish a supplemental report containing more detailed recommendations for improving national security planning and budgeting procedures. The Commission's final report will also recommend development of centers of excellence in defense management that are similar to successful management initiatives used by industry.

Secretary Weinberger was also present at the meeting and outlined to the Commission and to the President the progress the Department of Defense has made in implementation of the Commission's recommendations to date. The President was pleased with Secretary Weinberger's report and asked that Mr. Packard and Secretary Weinberger report to him again early next year on the Department's progress.

## **Nomination of Brunson McKinley To Be United States Ambassador to Haiti**

*June 12, 1986*

The President today announced his intention to nominate Brunson McKinley, of New Jersey, a career member of the Senior Foreign Service, Class of Counselor, as Ambassador to the Republic of Haiti. He succeeds Clayton E. McManaway, Jr.

Mr. McKinley joined the Foreign Service in 1971. His first overseas assignment was as aide to Ambassador Graham Martin in Rome. From 1973 to 1974, he served as assistant to David K.E. Bruce, the Chief of the U.S. Liaison Office in Beijing. In March 1975 he became deputy principal officer at the U.S. consulate general in Da-nang, Vietnam, and participated in the evacuation of Da-nang and Saigon. Mr. McKinley returned to Washington in May 1975; after 1 year in the Executive Secretariat of the Department of State, he joined the Bureau of

European Affairs as officer in charge of relations with Italy. From 1978 to 1981, he was a political officer at the U.S. Embassy in London, and from 1981 to 1983, he was head of the political section at the U.S. mission in Berlin. Since 1983 he has been Deputy Executive Secretary of the Department of State.

Mr. McKinley received an A.B. in 1962 from the University of Chicago and an M.A. in 1964 from Harvard University, both degrees in classical languages. In 1966 he enlisted in the U.S. Army, was commissioned in Vietnam, and left the service with the rank of captain. He speaks French, German, Italian, Vietnamese, and Chinese. Mr. McKinley is married, has two children, and resides in Washington, DC. He was born February 8, 1943, in Miami, FL.

## **Nomination of Thomas Lynch Adams, Jr., To Be an Assistant Administrator of the Environmental Protection Agency**

*June 12, 1986*

The President today announced his intention to nominate Thomas Lynch Adams, Jr., to be an Assistant Administrator of the Environmental Protection Agency (Enforcement and Compliance Monitoring). He would succeed Courtney M. Price.

Since 1983 Mr. Adams has been a Deputy General Counsel (Regional Coordination) at the Environmental Protection Agency. He was assistant director, governmental relations, Republic Steel Corp., 1977-1983; Assistant General Counsel, Federal Trade Commission, 1975-1977; Legislative Coun-

sel, Small Business Administration, January 1975-August 1975; minority counsel, Subcommittee on Environment and Consumer Affairs, Senate Commerce Committee, 1972-1974; and appellate attorney, Justice Department, Land and Natural Resources Division, 1970-1972.

Mr. Adams graduated from the University of Virginia (B.A., 1963) and Vanderbilt University School of Law (J.D., 1970). He is married, has two children, and resides in Washington, DC. Mr. Adams was born November 22, 1941, in Lexington, KY.

## **Nomination of John J. Petillo To Be a Member of the Peace Corps Advisory Council**

*June 12, 1986*

The President today announced his intention to nominate John J. Petillo to be a member of the Peace Corps National Advisory Council for a term of 2 years expiring November 29, 1987. This is a new position.

Since 1983 Monsignor Petillo has been chancellor of Seton Hall University and Immaculate Conception Seminary in South Orange, NJ. In 1978 he became assistant to the president of Seton Hall University and he also became chancellor of administration of the Archdiocese of Newark, a position he held until his appointment as chancellor.

He was ordained in 1973 and began his career with the Archdiocese of Newark in 1975 as assistant director in the Office of Research and Planning. He was later appointed deputy director of Catholic community services.

Monsignor Petillo graduated from Seton Hall University (B.A., 1969 and M.A., 1971), Fordham University (Ph.D., 1975), Rutgers (M.P.A., 1976), and Immaculate Conception (M.Div., 1974). He resides in South Orange, NJ, and was born March 19, 1947, in Montclair, NJ.

## **Appointment of Ivan Boesky as a Member of the United States Holocaust Memorial Council**

*June 12, 1986*

The President today announced his intention to appoint Ivan Boesky to be a member of the United States Holocaust Memorial Council for a term expiring January 15, 1991. He would succeed Marver Bernstein.

Since 1981 he has been chairman and chief executive officer of the Ivan F. Boesky Corp., where he was a managing partner, 1975–1980. Previously, he was a general partner with Edwards & Hanly in New York, 1972–1975; securities analyst, First

Manhattan Co., 1968–1970; securities analyst, L.F. Rothschild, 1966–1968; tax accountant, Touche, Ross & Co. in Detroit, 1965–1966; and a law clerk, United States District Court for Eastern Michigan, 1964–1965.

Mr. Boesky attended the University of Michigan and graduated from the Detroit College of Law (J.D., 1964). He is married, has four children, and resides in New York City. Mr. Boesky was born March 6, 1937, in Detroit, MI.

## **Appointment of Jim Gilmore, Jr., as a Member of the President's Council on Physical Fitness and Sports**

*June 12, 1986*

The President today announced his intention to appoint Jim Gilmore, Jr., to be a member of the President's Council on Physical Fitness and Sports. This is a new position.

Mr. Gilmore is owner of Jim Gilmore En-

terprises headquartered in Kalamazoo, MI, which includes the Gilmore Broadcasting Corp., several car dealerships, and Jim Gilmore Enterprises Industrial Farms. He has been an active supporter of the International Hockey League and has been chairman

and president of the Gilmore Racing Team, Inc., which sponsors A.J. Foyt, Jr. Mr. Gilmore has also been active in civic and public affairs as a member of the board of directors, Public Information Committee, American Cancer Society, and he served as

mayor of Kalamazoo, MI, 1959–1961.

He attended Kalamazoo University and Western Michigan University. Mr. Gilmore is married, has nine children, and resides in Kalamazoo, MI, where he was born on June 14, 1926.

## Remarks at a White House Meeting With Representatives of People to People International

June 12, 1986

*The President.* So, it's a welcome to the White House and a special hello to your executive director, Julian Niemczyk. And it is certainly a pleasure for me as honorary chairman of the People to People program to have this opportunity to speak with you before you are off on your great adventure.

These exchange programs in which you and many thousands of others participate, I think, are one of the most important ways for others to learn about our values and our views. And during your time overseas, you will likely be confronted with many foreign policy questions. There is every reason for Americans to be proud of our country's dealings with other nations. We have been a force for freedom and a force for peace on this planet. And when we turn over the reins to your generation—and that won't be so long from now—we want this to be a safer planet than it is today. That is what the negotiations in Geneva are all about. There is a great deal of maneuvering that goes on during such negotiations, but I'm still optimistic.

The United States is willing to do more than put a lid on the number of nuclear weapons. We are proposing to reduce U.S. and Soviet nuclear arms to an equal and verifiable level, and it is in the interest of both the Soviet Union and the United States to do this. If the Soviets will agree, we can get started on this right now.

While trying to achieve nuclear and conventional arms reductions, we are exploring technologies that will protect people from the threat of ballistic missiles. This is our research under our Strategic Defense Initiative, which everyone knows as SDI. If we

are successful, those missiles will be less effective, and thus both sides will be all the more likely to agree to cut deeply the number of these weapons and their arsenals. And if that one day leads to a shield against ballistic missiles, the whole world, I think, will breathe easier.

You young people, more than any other group, have a stake in the future. I'm going to be speaking at a high school graduation in Glassboro, New Jersey, next week. It'll be my first high school graduation in quite some time. And some of the matters under discussion—the future of peace and freedom will be on the agenda. But now I know that you have some things that you'd like to discuss. So, we shall allow the press to retire, and then we can get on with our discussion.

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*Reporter.* Well, Mr. President, there's still a lot of confusion, sir, about the SALT agreement. Last night, did you mean to say that SALT is dead? And did you sign off on the limits for the air-launch cruise missiles? Did you definitely decide to do that, and is SALT dead?

*The President.* No. What I was saying is we'll make the decision with regard to the ballistic missile or the cruise missile when that time comes. But in the interim, we're going to be dealing with the Soviet Union on their most recent proposal to us. The time has come to replace a treaty that was never ratified, that has now gone beyond the length of time for which it was designed, which they have never observed—have been violating since its inception—to

replace that with a legitimate arms reduction treaty. Now, that's what I was saying last night.

*Q.* So, SALT is dead?

*The President.* What?

*Q.* SALT is dead then?

*The President.* We're going to try to replace it with a better deal.

*Q.* Why won't you say it when your spokesman's been saying it very flatly to us. We need it from you. Is it dead or isn't it?

*The President.* I——

*Q.* I mean, Larry Speakes told us very definitively that it is dead, and yet you won't say it.

*The President.* I think you can trust what Larry Speakes said to you.

*Q.* Well, he also told us, sir, this morning, that you had signed off on definitely exceeding the limit for air-launch cruise missiles.

*The President.* One of the reasons I'm not

saying to that is because right now we are going to do our utmost to engage the Soviet Union in an arms reduction agreement. And anyone going into negotiations, I think, has a right to remain silent so that nothing will be used against him.

*Q.* Mr. President——

*The President.* You're taking up their time here.

*Q.* You've got good protectors. [Laughter]

*Note: The President spoke at 3:30 p.m. in the Cabinet Room at the White House. Larry M. Speakes was Principal Deputy Press Secretary to the President. A tape was not available for verification of the content of these remarks. People to People International, which was founded by President Eisenhower in 1956 to promote world peace, sponsored outstanding high school students as good will ambassadors to Europe and the Soviet Union.*

## Proclamation 5501—Baltic Freedom Day, 1986

June 12, 1986

*By the President of the United States  
of America*

### *A Proclamation*

The United States was born in a War of Independence against an oppressive rule. We stood up for inalienable rights given by God and declared that governments that systematically violate those rights lose their claim to legitimacy.

It is a tragedy of our time that many peoples continue to live under the brutal totalitarian rule of the Soviet empire. We will expose the inhumanity of the oppressors and speak out on behalf of the oppressed. We will denounce tyranny and champion the cause of its victims.

Baltic Freedom Day provides these opportunities. On this day, we observe the anniversary of the callous and treacherous subjugation of three independent and freedom-loving states. Forty-six years ago, invading Soviet armies, in collusion with the Nazi regime, overran and occupied the Re-

publics of Estonia, Latvia, and Lithuania. Through police-state tactics, the occupation and subjugation continue. Soviet outrages against these peoples have included massive deportations from their native soil to concentration camps in Siberia and elsewhere. At the same time masses of Russians have been uprooted from their homes and relocated in the Baltic nations in an effort to eradicate the cultural and ethnic heritage of the Baltic peoples. Against all recognized principles of international law, justice, and humanity, the Soviets have continued their domination over Lithuania, Latvia, and Estonia. The United States has never recognized their forced incorporation into the U.S.S.R. It is illegal, indefensible, and iniquitous.

We are engaged in a very real struggle to focus the world's attention on one of the gravest wrongs of our age—the stubborn and contemptuous Soviet disregard for the sovereignty of independent nations and the rights of oppressed peoples. As evidence,



we hold up its first victims—the heroic Baltic nations we honor today. To do less is to acquiesce in injustice and to betray our heritage as champions of human freedom.

As a Nation, we are the standard-bearers of freedom and a beacon of hope to the oppressed. Ours is the mission of the prophet Isaiah, “to bind up the brokenhearted, proclaim liberty to the captives, and the opening of the prison to them that are bound.”

The Congress of the United States, by Senate Joint Resolution 271, has designated June 14, 1986, as “Baltic Freedom Day” and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, Presi-*

dent of the United States of America, do hereby proclaim June 14, 1986, as Baltic Freedom Day. I call upon the people of the United States to observe this day with appropriate remembrances and ceremonies and to reaffirm their commitment to the principles of liberty and self-determination for all peoples.

*In Witness Whereof*, I have hereunto set my hand this twelfth day of June, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 11:27 a.m., June 13, 1986]*

## Appointment of Two Members of the United States International Narcotics Control Commission

*June 12, 1986*

The President today has announced his intention to appoint the following individuals to be members of the United States International Narcotics Control Commission. These are new positions.

*Shirley D. Coletti*, of Florida. Since 1984 Mrs. Coletti has been the chairman of the board of the National Federation of Parents for Drug Free Youth, and she is a member of the Nancy Reagan Speaker's Bureau on the fight against drug abuse. She recently represented the United States at the Seventh International Con-

ference of Nongovernment Organizations on Drug Dependence in Katmandu, Nepal. She attended Grant School of Nursing, 1961, and was born February 17, 1935, in Clinton, KY.

*Robert E. McCarthy*, of California. Mr. McCarthy is the senior and founding partner of McCarthy, Flowers and Roberts, and previously he was the assistant secretary and founder of Steamship Co. He graduated from the University of California at Berkeley (B.A., 1941; J.D., 1949). He was born February 16, 1920, in San Francisco, CA.

## Appointment of Three Members of the National Commission on Agricultural Finance

*June 12, 1986*

The President today announced his intention to appoint the following individuals to be members of the National Commission on Agricultural Finance. These are new positions.

*Tom H. Carothers*, of Texas. Mr. Carothers is a

rancher and agribusinessman in Palestine, TX. In 1982 he was appointed to a 6-year term on the Federal Farm Credit Board, and he also currently serves as a director of the Texas and Southwestern Cattle Raisers Association. He graduated from Baylor University (B.A., 1938). He was born December 17, 1914.

*Kathleen W. Lawrence*, of Virginia. Mrs. Lawrence is currently Deputy Under Secretary of Agriculture for Small Community and Rural Development at the U.S. Department of Agriculture, and she has been nominated to be Under Secretary of Agriculture for Small Community and Rural Development. She was born December 7, 1940, in New York City.

*Harold B. Steele*, of Illinois. Mr. Steele has operat-

ed his own corn and hog farming operation near Princeton and is now retired. He served as president of the Illinois Farm Bureau, 1970-1983; as a member of the board of directors of the National Livestock Producers Association, 1975-1982; and he has served as a member on several agricultural trade missions to the Orient and Europe. He was born July 8, 1922, in Sublette, IL.

## **Appointment of Two Delegates to the National White House Conference on Small Business**

*June 12, 1986*

The President today announced his intention to appoint the following individuals to be delegates to the National White House Conference on Small Business:

*Louis P. Thebault*, of New Jersey. Mr. Thebault is chairman of L.P. Thebault Co., a graphic communications firm, in Parsippany. He graduated

from Seton Hall College (B.S., 1943) and was born December 14, 1921, in Madison, NJ.

*Bruce G. Fielding*, of California. Mr. Fielding is president of Fielding, Locksley & Storek, an accountancy corporation, in Mountain View. He graduated from Washington & Jefferson College (B.A., 1941) and was born June 3, 1923, in Cleveland, OH.

## **Appointment of Three Members of the President's Committee on Mental Retardation**

*June 12, 1986*

The President today announced his intention to appoint the following individuals to be members of the President's Committee on Mental Retardation for terms expiring May 11, 1989:

*Martin S. Appel*, of California. He would succeed Thomas J. Farrell. Mr. Appel is a member of Ruchin, Richman & Appel, a law firm in Beverly Hills. Mr. Appel graduated from Northwestern University (B.S., 1953; J.D., 1956) and resides in Beverly Hills. He is married, has four children, and was born March 15, 1933, in Chicago, IL.

*Jean G. Gumerson*, of Oklahoma. She would suc-

ceed Richard J. Kogan. Mrs. Gumerson is director of public relations and corporation social policy for the C.R. Anthony Co. in Oklahoma City. She has three children, resides in Oklahoma City, and was born March 19, 1923, in Hayfield, MN.

*J. Alfred Rider*, of California. He would succeed Vincent C. Gray. Dr. Rider is president, Children's Brain Diseases Foundation, in San Francisco. He graduated from the University of Chicago (S.B., 1942; M.D., 1944; Ph.D., 1951). He is married, has two children, and resides in Mill Valley. Dr. Rider was born January 30, 1921, in Chicago, IL.

**Letter to the Administrator of the National Aeronautics and Space Administration on the Recommendations of the Presidential Commission on the Space Shuttle *Challenger* Accident**

*June 13, 1986*

*Dear Jim:*

I have completed my review of the report from the Commission on the Space Shuttle *Challenger* Accident. I believe that a program must be undertaken to implement its recommendations as soon as possible. The procedural and organizational changes suggested in the report will be essential to resuming effective and efficient Space Transportation System operations, and will be crucial in restoring U.S. space launch activities to full operational status.

Specifically, I would like NASA to report back to me in 30 days on how and when the Commission's recommendations will be implemented. This report should include milestones by which progress in the implementation process can be measured.

Let me emphasize, as I have done so many times, that the men and women of NASA and the tasks that they so ably perform are essential to the nation if we are to

retain our leadership in the pursuit of technological and scientific progress.

Despite misfortunes and setbacks, we are determined to press on in our space programs. Again, Jim, we turn to you for leadership. You and the NASA team have our support and our blessings to do what has to be done to make our space program safe, reliable, and a source of pride to our nation and of benefit to all mankind.

I look forward to receiving your report on implementing the Commission's recommendations.

Sincerely,

/s/ RONALD REAGAN

*Note: The original was not available for verification of the content of this letter. James C. Fletcher was the Administrator of the National Aeronautics and Space Administration.*

**Statement by Principal Deputy Press Secretary Speakes on the President's Meeting With the Administrator of the National Aeronautics and Space Administration**

*June 13, 1986*

This morning the President held a brief meeting with the NASA Administrator, Dr. James Fletcher. The meeting was held to follow up on the recent report by the President's Commission on the Space Shuttle *Challenger* Accident. The President has completed a review of the Rogers commission report and believes that their recommendations should be implemented.

The changes suggested in the report are

essential to resuming effective and efficient space transportation system operations and will be crucial to restoring full operational status once again. Dr. Fletcher has been asked by the President to report back in 30 days with a plan for implementing the Commission's recommendations and establish milestones measuring progress in that process.

## Statement on the 10th Anniversary of the Soweto Uprising in South Africa

June 13, 1986

The 10th anniversary of the Soweto uprising of 1976 will be commemorated on June 16, a day that has become a symbol of black aspirations for freedom, equal rights, and full political participation. On this solemn occasion, it seems fitting that the U.S. Government renew its call on all parties to exercise maximum restraint in searching for solutions to South Africa's severe political crisis. Violence by those who enforce apartheid and by those opposed to it has become so common that South Africa risks becoming a continuing tragedy.

The American people feel strongly that permitting nonviolent meetings is the hallmark of civilized governments and in the best tradition of the Western democracies. I

have communicated directly with President Botha to ensure that he and his government are aware of my deep feelings about this. At the same time, I want to address myself publicly to all South Africans to urge that they consider again the stark consequences of violence before lighting the next match or pulling the next trigger. Our hearts are with the people of South Africa in this time of trauma. We appeal to them—white and black—to face up to their own responsibilities to make the Soweto anniversary truly a time for peaceful expressions of opposition to apartheid. Only in this way will they truly honor those who died in Soweto 10 years ago and the millions of South Africans still yearning for justice in that land.

## Remarks and a Question-and-Answer Session at a White House Luncheon for Regional Editors and Broadcasters

June 13, 1986

*The President.* Thank you all very much for rearranging your schedules in order to be here. And I like to talk to the press. It's always challenging. Of course, I don't know why I'm giving myself a challenge on Friday the 13th. [Laughter]

But you see above me there a portrait of, perhaps, our greatest President: Abe Lincoln. He lived what's been called the most moving life in the American experience; a big, raw, lonely boy from the rawest, loneliest part of the wilderness; no mother, no special warmth from the father. He found hope and sense of communion only in books and lived, of course, in a place where they had about two of them. And luckily one was the Bible and the other was Shakespeare. He was our great unlettered genius, who became a poet of great ease and fluidity. He was a politician, and a gifted one. And he told the truth. And one of the truths he told was this: He spoke in his second message to Congress of the terrible storm that

had come, and he said, "Fellow citizens, we cannot escape history."

Well, indeed, they could not, and neither can we. You know what storm I speak of. Earlier this week, to a Georgetown group, I spoke of the situation in Nicaragua. My remarks were well covered, and you're familiar with all the arguments, pro and con. You know my views.

The current regime in Nicaragua sustained, encouraged, and used by Cuba and the Soviet Union is intent upon institutionalizing a Communist totalitarian form of government in that country. A Communist regime in our hemisphere is good news for no one. It's bad news for those who love freedom and bad news for those who love peace.

We have a chance to help stop this ominous development and help stop it relatively cheaply by giving support, financial and material support, to the growing body of

men and women in Nicaragua who are resisting the imposition of communism in their homeland. We prefer a peaceful solution to the problems of Central America, but it's every day more evident that the Sandinista game is a game of delay designed only to give themselves time to crush the democratic opposition and consolidate their totalitarian system of control over Nicaraguan society.

We're now asking for \$100 million in aid—\$100 million to help the democratic forces resist and to pressure the Sandinistas to remember their promises of democracy and peace to the people of Nicaragua and the wider international community. I'm telling you this because I'll need your help and the help of the American people. I know that support begins with understanding. And so, if there's anything that is left that is not understood about our policy toward Nicaragua, well, I'm here prepared to testify, as they say. So, let's fire away.

#### *Aid for the Nicaraguan Contras*

*Q.* Mr. President, Joe Day, from WNEV-TV in Boston. And on that subject, sir, there have been calls, as you're well aware, for investigations of alleged criminal activity on the part of the freedom fighters, or the *contras*. And I wonder, sir, whether you think that's a good idea and whether you are satisfied with the conduct of those people who you are seeking additional aid for in Nicaragua?

*The President.* Let me say that in any conflict of this kind, we understand, of course, that there are going to be individual deeds, there are going to be acts of brutality, whether against civilians or whatever, by individuals. But we know and are satisfied that the policy of the leaders is one of abiding by humanitarian rules of warfare as far as the *contras* are concerned. This is not particularly true of the Sandinista forces, and we've had individuals here in our country testify as to the brutal treatment that they have received. And we have not found that—well, much of this we have found is a part of a disinformation campaign tending to discredit them.

For example, the charges of dope running—well, the factual evidence that we have—and it's photographic as the result of

a kind of sting operation—is that among the high officials of the Sandinista government, utilizing one of their military air bases, is the transshipment of drugs aimed for the United States. And, as I say, this we have pictured. And now, the latest one is: The big investigation is has there been shenanigans with the \$27 million of humanitarian aid that was sent down there or that was passed by the Congress, reluctantly, to do this. Well, I don't see why their investigation has not revealed, as yet, that they were so concerned that the agencies of the executive branch might not be trustworthy in the handling of this money, that in the passing of the \$27 million, they laid down the strict rules as to exactly how that money must be delivered and spent. And we followed those rules. I think they ought to give us back control over that because they didn't do too well.

#### *Afghanistan*

*Q.* Mr. President, Brad Willis, WBZ-TV, Boston. Can you tell me why you're putting a larger effort into aid for the *contras* in Nicaragua than the freedom fighters in Afghanistan, who have been under Soviet occupation for over 6 years now, and also what your feelings are about the Soviet occupation of Afghanistan and what the U.S. should do?

*The President.* We are helping in Afghanistan. I'm not at liberty to tell you any details as to how we are and what we're doing. We're definitely on their side, the mujahidin, and believe that this invasion by the Soviet Union is just further proof that they are following an expansionist policy that is based on the Marxian doctrine, and the Marx-Lenin doctrine, that communism must become a one world—that it must be a one-world Communist state, that that is their goal. And, no, we're doing everything we can to, hopefully, get them out of there.

Let me spread around a little bit here. I'm looking in the same—

#### *Cuba-U.S. Relations*

*Q.* From Miami, Tomas Regalado, WQBA, sir. Of course, Nicaragua is the priority, but you also have mentioned Cuba always as part of Nicaraguan problems. We hear

rumors that an envoy of the church had met with you several days ago, and that Castro, because of the economic situation, wants better relations with the United States. What would it take for this to happen? Have you had those report or signs from Cuba?

*The President.* I know there have been. And ever since I've been here, every once in a while, there have been statements of this kind. And early on, we made contact at a very high level down there to see, and nothing came of it. It's very simple. If he really means that he would like to have better relations and rejoin the countries of the Americas, of the Western Hemisphere, all he has to do is engage in some actions. All he has to do is release some political prisoners. All he has to do is change his persecution of and his dominance of—or interference with the free press, and all of those things and show that he's ready to change from a totalitarian form of government and to allow the people—Cuban-Americans who are here—to be able to visit their families and so forth. And until they take some actions—this much of what I said in our negotiations in Geneva also—we need more than words, we need some action.

#### *Israeli Espionage*

Q. Bruce Edwards, from WSYB in Rutland, Mr. President. Are you calling this—at least some of you are—the Year of the Spy? How extensive is spying in this country, and what is your administration doing about it? And in particular, how extensive do you think Israeli spying is?

*The President.* With regard to the Israelis spying on us, all we can tell you is that the Israeli Government has sworn to us that this, certainly, is nothing official from them, if there is such a thing going on, that they have not been doing this. We have been doing all the investigating we can. We have no evidence that it is a part of their government policy. But as to spies, I think they're always present. And we do everything that we can to be able to identify and find them if they're doing these things. And the reason it has come to the floor and there's so much attention is we've been successful, of late, in bringing some of them to justice.

But we're going to keep on with that, but we can never rule out that that's going on.

The young lady?

#### *Federal Spending and Taxes*

Q. Mr. President, Ms. Myrick, KATT-FM, Oklahoma City. The Senate is currently studying tax reform, while the House and Senate Committee is working on—I lost my—

*The President.* I do that often. Go ahead. [Laughter]

Q. —is working on tax reform, while the House and Senate Committee is trying to come up with a spending bill for fiscal 1987. And several members of that committee have suggested a tax increase as a means for you to get the defense spending that you want. I know you are opposed to tax increases. Now that I'm on the right track, would you tell me why you would not like to have at least a small tax increase to get the kind of spending bill that you would like?

*The President.* This has been, of course, the pattern for a half a century, that I know of, in our government here. That you can nibble away at increasing the taxes in order to get the spending that various individuals want for their favorite programs. It's also been traditional—and not just under Republican administrations—but going back, I remember, with F.D.R., that defense has been the grab bag. Anybody that's got a social program up on the Hill, and they want to do it for whatever reason, they can get the money from defense—take it away from defense. That is why when some of our ranking officers asked their counterparts after World War II in Japan: Why Pearl Harbor—why they ever did that? The answer was very simple. They said we didn't think you'd fight. And they told our officers that in the Louisiana maneuvers—the great war games that preceded World War II here in our country—we had soldiers carrying wooden guns and were using cardboard tanks to simulate armored warfare, so they assumed we wouldn't fight.

This still goes on. Defense is always supposed to be the one that is—and yet defense is the first priority under the Constitution of the Federal Government—the

protection of the national security of our people. And right now, with all of our increases and what we've done, our defense budget is a smaller percentage of the national budget and of the gross national product than it has been in years past, when we weren't doing as well as we've been doing.

And this thing of tax increase—the plain, simple truth is the Federal Government is spending too much. If we had gotten the cuts that we asked for in 1981, when we were asking for our first budget, there would have been \$207 billion less deficit than we've had in these last few years. And they're still protecting many of those. The budget that we presented—and I'd like to take a chance to just tell you something about the budgeting process. Having been Governor of a State, I can tell you that if the Federal Government would simply pattern itself after one of the States—any one of about 40 of them—they'd have a better budgeting system than they have here at the national level.

We sit around a Cabinet table for months and for long hours with all the heads of the various Departments, who are going to implement the congressional-passed programs. And these people, who have to implement them and work with them, tell us the figure that they need to do the job that Congress has assigned to them. And we send this up to the Hill as a budget. Then they sit down in a committee and without any regard to who's going to run the program or whether they know anything about how to run the program, they say, "Oh, no, we've got to give them more money than that." And then when they give you the more money, they tell you also you have to spend it. Lots of times, you know, in the past, there've been government agencies here that come—at the end of the year, they go out and buy new furniture because they've got to get rid of the money. And this is one of the things we're trying to change.

So, for them to sit there again and say, we believe that the tax decrease that we achieved in 1981 is the principal cause for the astonishing economic recovery that we've had. We believe right now that to go to a tax increase again would be detrimental to that recovery and would risk us going

back into that thing we've known for the last 50 years of every few years, another recession. So, we've said no; cut spending. We suggested the elimination of scores of Federal programs that aren't serving any useful purpose—none of them have we been permitted to eliminate.

And so, we say again, the only time you can ever say a tax increase is if we get government spending down to where we say this is it, this is now the level at which we can perform the task government is supposed to. And if, then, that isn't enough—we don't have enough—then you say we will have to have revenues to match this. But when we're doing the things we're doing, when we're doing social programs that—when I was Governor, we had programs in which it cost two dollars for the Federal Government to deliver one dollar to a needy person. And things like this are still—there's too much of that going on.

*Q.* Thank you, and thank you, sir—

#### *American Hostages in Lebanon*

*Q.* Mr. President, Chuck Goudie, from WLS, in Chicago. A suburban Chicago priest, Father Lawrence Martin Jenco, has been held in captivity, hostage, if you will—

*The President.* Yes.

*Q.* —in Lebanon for 17 months now—one of five Americans who've been held for at least a year. The family of Father Jenco today is calling on you and the administration to take a more aggressive role in securing the release of those hostages. If you can tell me, what is the Government doing now to get the hostages out, and why haven't you been successful up to this point?

*The President.* I can answer the question here—and let me just say to you, and we've tried to impress this on the families of all of those hostages that are being held—we're not sitting idle. The fact that we aren't on the front page of the paper everyday with a story is because that would be counterproductive. There has never been a minute that we have not been working for their release.

We have gone down channel after channel, and many of them have brought us to the point where we believed that within a

few days we were going to be successful, and then would find a dead end, that it didn't work out. We have never given up for a minute in our efforts to get them back. But I cannot describe those efforts because, as I say, that would be counterproductive. And all I can do is tell you that we're going to continue. We've never given up for a minute in trying to get them back. We know the anguish of the families, but we know even more the distress of the men who are being held. And we've gone in every direction possible and followed every lead possible.

*Q.* Sir, if I could follow up. You said that you were close at some points in securing the release of the hostages. How close would you say you are now—right now—to getting them released?

*The President.* Well, to be honest with you, we're right now in one of those moments in which we have had the great disappointment—that the channel that we have been following, and that we thought was going to be successful, failed.

*Q.* Terry Waite?

*The President.* No, no, he's been helpful to us, and we'll continue to use him where possible.

#### *Views on the Presidency*

*Q.* Mr. President, Dale Huffman, from Dayton Newspapers in Dayton, Ohio. Along those same lines—this is kind of a personal question, but you say that you're involved in this and that it is trying on you. It seems like every day you're involved in something that's serious, something that's trying, something that's emotional, something that's stressful. You've got the most stressful job in the whole world, obviously. My question, I guess, is how do you deal with this? How are you able on a day-to-day basis to face all these things and keep your head above water?

*The President.* Well, for one thing, I'm surrounded by some awfully good people who are sincerely dedicated to serving and who made great sacrifices to be a part of government and serve. And I'm a little self-conscious about this next one. Let me just call on Abe up there for his answer. He said many times he has been driven to his knees because there was no place else to go. And

if he did not believe that he could call on One who was wiser and greater than all others for help, there was no way that he could stand this position.

#### *Cuban Immigration*

*Q.* Mr. President, Leticia Callava, from Miami, Florida. What kind of immigration program are we going to have, finally, between Cuba and the United States?

*The President.* I hope we're going to have the thing that is now before the Congress. We tried with their previous effort. It is true that our borders are getting out of control—or are out of control, and we do need an immigration program. And we're still trying to get it through the Congress.

*Q.* Mr. Reagan—

*The President.* All right, I'll be—

*Q.* Barbara Sloan, WCIX, Miami. Mr. President, there are Cuban prisoners who've recently been released, waiting for visas to come to America. Is it possible for you to waive them on into the country? I know there's an impasse right now with Cuba in the immigration standoff. Is it possible for you to just say, "They've been released from prison in Cuba, now they can come to the United States?"

*The President.* I would think that we could, and I would like to know if there's any case where there's a release and they haven't. I'll make any effort that I could.

*Q.* Mr. [Attorney General] Meese told us earlier he was looking into the situation. I wonder if the technicalities can be done away with and they can be brought in?

*The President.* Well, I imagine that what they're probably looking into is, are they people who were strictly political prisoners. Because, you know, at the Mariel lift, at the time when so many came flooding in, Mr. Castro filled their ranks—or didn't fill their ranks, but infiltrated among them even mental patients and people who were guilty of horrendous crimes—not political prisoners at all. And then we had a tremendous job—that isn't finished yet—of trying to find people that were just outright violent criminals who had been sent here as political refugees. So, this might be what they're looking into with regard to these others. Earlier it was mentioned that we've had



some meetings with some of the clergy from Cuba, and we voiced our belief to them, particularly about one man, in particular, and if they had any influence on Castro—and that one man has been released.

Q. Mr. President—

*The President.* I signaled him, and then I'll—

#### *Arms Control*

Q. Thank you, sir. L.B. Phillips, WJBC, Bloomington, Illinois. Mr. President, the people of America have gotten conflicting opinions and statements about the SALT II treaties. A couple of questions. First, are we going to abandon, for sure, the unratified SALT II treaty—does this mean more missiles? And I'd like to follow up, please.

*The President.* No. We're engaged now in a modernization program, as made necessary, as it would be with any kind of weapons that—better ideas come along and some things get outmoded and so forth. And we're not going to retreat from that modernization. We're behind the Soviets; they've been doing it much longer, beginning with the SS-18. Our MX, which is not yet deployed, is our counter to the SS-18. We are right now technically within the limits of SALT. They are not, as they have not been for 7 years—that they have been violating it. So, we're going to be guided by what is necessary for our national security and a deterrent to their ever feeling tempted to launch a first strike.

And what we're doing down the road in our modernization program—there is coming a moment in which, to continue with that modernization, will take us beyond the terms of SALT. But SALT was a treaty that the Senate—some of the Members of that Senate then are still Members now and they're criticizing me for talk of not abiding by SALT. Well, they were Members of the Senate that wouldn't ratify SALT as a treaty. It has not been observed, as I say, for 7 years by the Soviets. There's no way that we could possibly or should possibly go on, unilaterally, adhering to this treaty.

In the first place, I always opposed the treaty because it didn't do anything to reduce armaments. All it did was set a pace

at how much you can and how fast you could increase. What we're going to do in the intervening time, however, is—since the Soviets for the first time that I know of have made proposals themselves about reducing the number of weapons—we're going to try to engage them in that kind of a practical treaty of negotiating reductions of weapons that will replace this unratified treaty. And a treaty which, incidentally, has already outlived the period of time for which it was established.

#### *Safety of Americans Abroad*

Q. Mr. President, Ann Edwards, WKBW, Buffalo, New York. American hostage Terry Anderson is from our area. His sister, as you probably know, was granted a visa from Lebanon last week. Is the Government going to help her go there, get there, and be safe there? And how safe are all Americans traveling abroad this summer?

*The President.* Well, I think in many places there certainly is a reasonable safety. Our Ambassador to England recently was quoted in your papers—and I have not argued with him on this; I agree with him. He's quoted that he believes that London is probably as safe as any city in the world. On the other hand, in a situation such as Lebanon, which is virtually out of control, I don't believe that anyone could say that an American is safe there. We're bound to be a target with the factions that are fighting there in Lebanon. Now, whatever we can do—I didn't know about this, but now that you've told me about it, I'm going to go back to the office and see that we look into this to see whatever we can do.

*Ms. Mathis.* Last question.

#### *Strategic Defense Initiative*

Q. Mr. President, my question is about strategic defense. There were quotes in the—I'm sorry, David Ropeik, from Channel 5 News in Boston. There were quotes by a high-level policymaker who chose to be unnamed a couple days ago in the Boston Globe suggesting for the first time that parts, or perhaps all, of the Strategic Defense Initiative may be subject to compromise by your administration, given recent Soviet proposals on defense research

under the ABM and given their recent proposals as to possible reductions in offensive weapons. Is any or all of SDI in any way negotiable?

*The President.* Not in the sense of using that as a bargaining chip to get anything in the line of arms reduction or anything of the kind. I think that this is one of the best things that has come along in scores of years. Here is this idea of switching from a policy, the MAD policy, mutual assured destruction—that we and the Soviets could be safe, the people of our two countries—if we each had so many destructive weapons that for either one of us to start a war—the one who started it could get destroyed also.

This doesn't make sense in a world where madmen can come along as one did half a century, almost, ago—Adolf Hitler. The idea of a defensive weapon that could probably make us take a second look at intercontinental ballistic missiles; they are the most destabilizing. That's the weapon that if you push a button, 30 minutes later a lot of people blow up. If we could have a defensive system that says anyone who decides to start a war with those things may have trouble because not very many of them may get through. This, we're going to continue. But we also know that the Soviet Union has preceded us. They have been working and researching on a defensive program long before we started.

Now, our idea is that research on strategic defense comes within the ABM treaty. We're not violating any treaties or anything in doing this. If we can develop an idea that shows that these ballistic missiles can be rendered obsolete, that is the time then when Mr. Gorbachev's proposal of total elimination of those weapons—that we could both have it. And frankly, I have said publicly a number of times—I'm prepared to say that whichever one of us can come up, or if both of us come up, with such a defensive weapon, as far as we're concerned we'd be happy to make ours available worldwide in return for the elimination of those weapons. Reduction of nuclear weapons is our goal. That is our purpose.

#### *South Africa*

*Q.* What about South Africa?

*The President.* What?

*Q.* What about South Africa, the state of emergency? Do we need to have sanctions now—the U.S.? Are you going to change your position on that?

*The President.* We still don't think that sanctions would be effective. First of all, American investment in South Africa is 1 percent or less of their total investment. So we couldn't affect them very much in doing that. But secondly, whatever we did do in that line would militate against the people we're trying to help. And we feel that, also, for us to get out, as some of our young people think we should, we're taking away the only contact and base we have there for continued contact with them to try and help bring about a solution to this problem and an end to apartheid, which we find repugnant, as I'm sure all of you do.

*Q.* Do you condemn the state of emergency?

*The President.* What?

*Q.* Do you condemn the state of emergency there right now?

*The President.* Well, let me say we regret it. It's awfully hard when you're not involved in that. But what we're seeing now is an outright civil war that is going on, and it's no longer just the contest between the black population and the white population. It is blacks fighting against blacks, because there's still a tribal situation involved there in that community. And we want to continue doing everything we can to help that faction of the Government that has made some progress and has corrected some of the evils and has announced its desire to do the rest, but has a faction in its own government that is opposing it.

*Ms. Mathis.* Thank you, sir.

*The President.* But she told me I'd answered all I can answer anymore. [Laughter]

*Q.* Thank you, Mr. President.

*The President.* And you get an idea who's the most powerful person on Earth, don't you? [Laughter]

*Note: The President spoke at 1:07 p.m. in the East Room at the White House. Susan K. Mathis was Special Assistant to the President and Director of Media Relations.*

## Radio Address to the Nation on Flag Day and Father's Day June 14, 1986

### *My fellow Americans:*

Today we celebrate Flag Day, the birthday of our Stars and Stripes. As we think back over the history of our nation's flag, we remember that the story of its early years was often one of hardship and trials, sometimes a fight for simple survival.

Such is the story behind our Star-Spangled Banner. It was 2 years into the War of 1812, and America seemed to be teetering on the edge of defeat. The British had already taken our Capital and burned the White House. Baltimore was the next target in a grand design to divide our forces and crush this newly independent nation of upstart colonies. All that stood between the British and Baltimore were the guns of Fort McHenry, blocking their entry into Baltimore Harbor.

The British bombardment lasted for 25 hours. Through the dark hours of the night, the rockets fired and the bombs exploded. And a young American patriot named Key, held captive aboard a British ship, watched anxiously for some proof, some sign, that liberty would prevail. You can imagine his joy when the next morning, in the dawn's early light, he looked out and saw the banner still flying—a little tattered and torn, but still flying proudly above the ramparts. Fort McHenry and the brave men manning it had withstood the assault. Baltimore was saved. The United States, this great experiment in human freedom, as George Washington described it, would endure.

Thinking back to those times, one realizes that our democracy is so strong because it was forged in the fires of adversity. In those dark days of the war, it must have been easy to give in to despair. But our forefathers were motivated by a cause beyond themselves. From the harsh winter of Valley Forge to the blazing night above Fort McHenry, those patriot soldiers were sustained by the ideals of human freedom. Through the hardships and the setbacks, they kept their eyes on that ideal and purpose, just as through the smoke of battle

they kept a lookout for the flag. For with the birth of our nation, the cause of human freedom had become forever tied to that flag and its survival.

As the American Republic grew and prospered and new stars were added to the flag, the ideal of freedom grew and prospered. From the rolling hills of Kentucky to the shores of California to the Sea of Tranquility on the Moon, our pioneers carried our flag before them, a symbol of the indomitable spirit of a free people. And let us never forget that in honoring our flag, we honor the American men and women who have courageously fought and died for it over the last 200 years, patriots who set an ideal above any consideration of self. Our flag flies free today because of their sacrifice.

And I hope you all will join Nancy and me and millions of other Americans at 7 o'clock this evening, eastern daylight time, when we pause a few minutes to say the Pledge of Allegiance. Though separated by many miles, we will be together in our thoughts. These anniversaries remind us that the great American experiment in freedom and democracy has really just begun. They remind us of the terrible hardships our forefathers willingly endured for their beliefs. And they challenge us to match that greatness of spirit in our own time, and I know we will. We are, after all, the land of the free and the home of the brave.

If we ask ourselves what has held our nation together, what has given it the strength to endure and the spirit to achieve, we find the answer in our families and those basic family values of work, hope, charity, faith, and love. So, it's appropriate that this year Father's Day falls on the same weekend as Flag Day, for in commemorating fatherhood, we're also expressing a basic truth about America. What does fatherhood mean today in America? I guess the same as it always has.

Fatherhood can sometimes be walking the floor at midnight with a baby that can't sleep. More likely, fatherhood is repairing a bicycle wheel for the umpteenth time,

knowing that it won't last the afternoon. Fatherhood is guiding a youth through the wilderness of adolescence toward adulthood. Fatherhood is holding tight when all seems to be falling apart; and it's letting go when it is time to part. Fatherhood is long hours at the blast furnace or in the fields, behind the wheel or in front of a computer screen, working a 12-hour shift or doing a 6-month tour of duty. It's giving one's all, from the break of day to its end, on the job, in the house, but most of all in the heart.

Now, if you are thinking, "Look who's

talking—he's a father himself." Well, that's right, but on today I think we could all remember—this weekend, at least—that every father is also a son. So, on this day for fathers, we, too, say thanks to America's dads—for the labor and legacy of our families and our freedoms.

Until next week, thanks for listening, and God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David, MD.*

## Statement on the Death of Benny Goodman

June 14, 1986

Nancy and I are both saddened by the news of Benny Goodman's death, and we send our heartfelt condolences to his family.

Benny's swing music came to symbolize the new energy of 20th-century America, and it helped us all through the Great De-

pression. It was a new and uniquely American sound that was as fresh as the land that inspired it. We all miss Benny but will forever remember his contributions to American life and music.

## Remarks at a White House Briefing for Supporters of United States Assistance for the Nicaraguan Democratic Resistance

June 16, 1986

I appreciate your presence here today and all that you are doing to ensure that our country is secure and that this hemisphere is free in the years ahead. It doesn't seem so long ago when it was widely recognized that our freedom depended on helping those who were desperately fighting for their liberty.

America was the arsenal of democracy, for example, during a time when the outcome of the Second World War was seriously in doubt. One can only imagine what incredible totalitarian challenges we would've had to overcome had our precious supplies been withheld, and thus permitting England to fall to the Nazi onslaught. And no one my age can forget the massive commitment we made after the war to rebuild Europe and to thwart the expansion of

communism. Part of that effort was the help we gave the democratic forces in Greece during their struggle against Communist insurgents, which was not dissimilar to what we're doing in El Salvador today. And all of this was not without opposition in the United States.

Nevertheless, America unflinchingly met its responsibility. A bipartisan consensus permitted us to leave politics at the water's edge and do what was necessary to keep the country safe. Some historians believe the trauma of the Vietnam war irreparably destroyed the spirit of cooperation. Well, I think otherwise; I think America is leaving the Vietnam syndrome behind. We face serious challenges—it was great, wasn't it, on television last week, to see that [Vietnam veterans] parade in Chicago. They finally

had come home.

Well, I expect the upcoming vote on aid to the Nicaraguan freedom fighters will signal the reemergence of bipartisanship in areas of national security and an end to the pessimism and disunity of the last decade. Over 2 months ago many Democrats voted for aid to the freedom fighters, and we're reaching out now to many more Democrats to make this truly a bipartisan issue and carry the day for the freedom fighters. We're looking to win this next vote, because it's becoming irrefutably clear that helping those fighting for freedom in Nicaragua is important to the safety of the United States and it is the right thing to do. And under those circumstances, there are no Republicans and no Democrats—just Americans.

Some of those opposing our efforts have been hoping that the regime in Managua would reform and seek reconciliation with its opponents. Well, instead, the Nicaraguan Communists have taken every opportunity to smash internal opposition and annihilate the armed resistance. Their hints at reform are little more than delaying tactics, providing them time to silence, jail, or kill anyone who threatens their absolute power. The last House vote on this issue had barely been taken when Nicaraguan troops crossed over into Honduras to attack resistance forces. This was hardly the gesture of good will that many Members of the House had hoped for. That mini-invasion received much attention, but just as important was the major attack, an unproved assault, launched against Miskito Indian villages at the same time. I said unproved—unprovoked assault launched against the Miskito Indian villages at the same time. This bloody operation triggered a panic that led to an exodus into Honduras of nearly 11,000 villagers. And others suffered a fate who didn't leave for those camps, such as being herded into camps and then left with no provision for supplies of food. And yet they could not go beyond the fences that hemmed them in.

Since the House vote, repression against independent labor unions, the press, the church, and opposition political parties has continued. The jails remain swollen with political prisoners, such as this one [pointing to a photograph] near Managua. And many

of the prisoners are democratic union leaders. And today even the smallest vendor finds his or her tiny bit of private enterprise threatened. In the period since the last House vote, Managua has signed economic and cultural agreements with the Soviets. Foreign advisers remain ever present throughout the Nicaraguan military and secret police. The regime, for all its youth and designer glasses—[*laughter*]*—is doing its best to turn Nicaragua into an Eastern European-style Communist dictatorship. And this is absolutely inconsistent with the values and traditions of the Americas, and we're not going to let it happen.*

The Soviets, on the other hand, after a brief respite, are again stepping up the flow of weapons into Nicaragua. For the first time since 1984 a ship coming directly from the Soviet military port of Nikolayev delivered cargo to Nicaragua. And another significant step has been the arrival in Nicaragua of a reconnaissance aircraft with highly sophisticated equipment—as shown in this photo here to the right—which gives the Communist regime a significant advance in its military and intelligence capabilities. There is little room for doubt. The Communists show no intention of compromise, no intention of keeping their promises of democratic pluralism, or of refraining from aggression upon their neighbors. They've been given their chance and used it to thumb their nose at those who tried to give them the benefit of the doubt. Gestures of good will have been scoffed at. Opportunities for peace, diplomatic solutions, compromise, and negotiated settlements have been arrogantly passed by.

And all of this leads to one inescapable conclusion: If democracy is to have any chance at all, we must back up those who are fighting for freedom and back them with the weapons and resources they need. This is the only way that the Communists will take the demand for democracy and negotiations seriously. Much has been said of late about the consistency of a policy that advocates both aiding the freedom fighters and reaching out to find an agreement that could peacefully end the conflict. Well, there's nothing confusing or contradictory about supporting those who are using

armed might to pressure an authoritarian regime into democratic reform. Those fighting the Communists are not, as they've oftentimes been portrayed, seeking power.

They want only the democracy that was promised. In 1979 the clique that now holds power in Managua made a solemn promise to the Organization of American States and to the people of Nicaragua as to the democratic and pluralistic nature of the government they planned to establish. And that promise was made to the OAS, and the result was the OAS asked Somoza then to step down in order to end further bloodshed. And on the basis of that promise, he did step down. What the freedom fighters seek and what we support is simply adherence to that promise of democracy. What we will not do is passively watch as a clique, armed to the teeth by a totalitarian power outside this hemisphere, as it beats its own population into submission and establishes a beachhead of tyranny, subversion, and terror on the continent of the Americas.

Thomas Jefferson once said, "If a nation expects to be ignorant and free . . . it expects what never was and never will be."

It's our job to make certain the American people get the facts about what is at stake in Central America. And I hope I can count on each one of you to get the word out, and I'm sure I can. Together, armed with the facts, we can revitalize that bipartisan spirit that puts the safety of our country and the love of liberty above all else.

I tell you from the bottom of my heart, I thank you for all that you're doing. And now is the time to put out the maximum effort, and we'll get the job done. There are thousands of young men and women in Nicaragua who are waiting to join the *contras*—well, I'm going to stop calling them that. That word was given—or appellation was applied to them by the Communists. They are freedom fighters. And these young people want to join the freedom fighters, only they don't have the arms and the equipment yet to take them on board. So, we know what our job is, and God bless all of you.

*Note: The President spoke at 11:01 a.m. in Room 450 of the Old Executive Office Building.*

## Statement Following a Meeting With Leaders of the Afghan Resistance Alliance

June 16, 1986

I met this morning with leaders of the Afghan resistance alliance: Professor Burhanuddin Rabbani, who is the spokesman of the alliance, and his colleagues. They speak for the many citizens of Afghanistan who are battling Soviet forces in the name of national liberation.

My message to the resistance delegation was simple: In your struggle to regain your nation's independence, the American people stand with you. This policy has broad and deep bipartisan support; it is an unshakable commitment. Your goal is our goal—the freedom of Afghanistan. We will not let you down.

Like the Afghan people, we hope for a negotiated end to this war. Year after year,

U.N. resolutions have called for a total and rapid withdrawal of Soviet troops and for self-determination for the Afghan people. Let us renew that call today. Only an agreement that has the support of the Afghan people can work. This is a fact of life, and it is why the role of the resistance alliance is crucial. The diversity of the alliance, its roots in the faith and traditions of Afghanistan, shows that the alliance is the true representative of the Afghan people.

People everywhere admire the courage of the Afghans, but the people and Government of Pakistan have also borne a large share of the burden of Soviet pressure and intimidation. We are honored to join with them in supporting Afghan freedom.

## **Designation of Susan W. Liebeler as Chairman of the United States International Trade Commission**

*June 16, 1986*

The President today announced the designation of Susan W. Liebeler as Chairman of the United States International Trade Commission for the term expiring June 16, 1988, effective June 17, 1986. She would succeed Paula Stern.

Since April 1984 Mrs. Liebeler has been a Commissioner at the United States International Trade Commission and Vice Chairman since June 1984. Previously, she was a professor of law, at Loyola Law School in Los Angeles, 1973–1985; Special Counsel to the Chairman, Securities and Exchange

Commission, 1981–1982; general counsel, Verit Industries, 1972–1973; and a practicing attorney in Los Angeles with Republic Corp., 1970–1971, Greenberg, Bernhard, Weiss & Karma, 1968–1970, and Gang, Tyre & Brown, 1967–1968.

Mrs. Liebeler graduated from the University of Michigan (B.A., 1963) and the University of California at Los Angeles Law School (LL.B., 1966). She is married, has three children, and resides in Falls Church, VA. Mrs. Liebeler was born July 3, 1942, in New Castle, PA.

## **Designation of Anne E. Brunsdale as Vice Chairman of the United States International Trade Commission**

*June 16, 1986*

The President today announced the designation of Anne E. Brunsdale to be Vice Chairman of the United States International Trade Commission for the term expiring June 16, 1988, effective June 17, 1986. She would succeed Susan W. Liebeler.

Since 1985 Ms. Brunsdale has been a Commissioner with the United States International Trade Commission. She was with the American Enterprise Institute as a resident fellow for public policy research and the managing editor of *Regulation*, 1977–

1985; director of publications, 1970–1977; and a research associate, 1967–1970. Previously, Ms. Brunsdale was director of publications for Free Society Association in Washington, DC, 1966–1967; and an investment analyst with Craig-Hallum Corp. in Minneapolis, MN, 1957–1967.

Ms. Brunsdale graduated from the University of Minnesota (B.A., 1945; M.A., 1946) and Yale University (M.A., 1949). She resides in Washington, DC, and was born October 1, 1923, in Minneapolis, MN.

## **Statement by Principal Deputy Press Secretary Speakes on the Urgent Supplemental Appropriations Bill**

*June 17, 1986*

On March 25 the House Appropriations Committee reported the urgent supplemental appropriations bill to the House floor. Seventy-four days have passed since then. The bill is now in conference committee, and *both* the House and Senate versions are

too expensive and contain legislative and policy provisions that do not belong in an appropriations measure. Thus, several provisions before the conference are unacceptable.

It is time for Congress to act quickly and

responsibly to spare hardship for Americans who depend on programs made possible by this bill. The Commodity Credit Corporation has ceased getting much-needed payments to farmers because its cash has run out. The Federal Housing Administration can no longer insure home mortgages because its authority has expired, and soon it will be unable to make additional loan guarantees unless its ceiling is raised. The Internal Revenue Service is desperately in need of supplemental appropriations, or up to 6,000 seasonal employees will have to be released immediately, postponing returns to deserving taxpayers and losing valuable revenue for the Federal Treasury. The Federal Emergency Management Agency (FEMA) has virtually depleted its funds, because of the large number of natural disasters occurring in the first half of FY 1986. Additional moneys are contained in the bill to enable FEMA to provide relief if such is needed later this year. The bill includes funds requested by the President for the Federal Aviation Administration to assure safety in the airways. Much-needed safety measures to protect the lives of Americans serving their country in embassies overseas have been unduly delayed.

Thankfully, the conference committee is moving ahead to bring the bill to final resolution. However, several key changes must be made before the President will consider signing the measure. For instance, the

House bill contains a provision repealing the President's authority to make deferrals based on policy, an authority used by every administration since 1974. This provision is flatly unacceptable in any form.

The full Senate added a provision which amounts to a windfall for rural utilities by allowing them to escape commitments they made when receiving Federal loans, at a cost of \$2.4 billion to American taxpayers. These commitments are the same the vast majority of American homeowners are prepared to accept and honor: to pay a loan prepayment penalty if they wish to refinance their loans. If millions of American families can honor their contractual obligations, why not multimillion dollar businesses? The Senate also added in this appropriations measure a massive expansion of unemployment benefits in the form of trade-adjustment assistance. This provision is so far-reaching we can do little more than guess at its cost.

These provisions, and others too numerous to mention here, threaten the urgent supplemental. It is good that Congress is moving ahead to reach an agreement on this legislation, but it is important that Congress pass it in a form that doesn't incorporate unnecessary spending and bad policy—so the President can approve the measure.

*Note: Larry M. Speakes read the statement to reporters at 9:22 a.m. in the Briefing Room at the White House.*

## Remarks at the Welcoming Ceremony for President Julio Maria Sanguinetti of Uruguay

June 17, 1986

*President Reagan.* It gives me great pleasure to greet President Sanguinetti. Mr. President, as the elected leader of a free and democratic Uruguay, you have our respect, our admiration, and our heartfelt welcome. Uruguay is a friend and a country that shares with us the heritage, traditions, and values of the Americas. Our countries, as is true of so many in this hemisphere, were born of independence movements

seeking to break away from colonial power. Yet, those who founded our two countries fought not only to be rid of domination but also for freedom. Our histories run parallel: Both are the stories of people struggling to be free; people striving to live up to the ideals expressed at the time of their nation's birth.

Today the people of Uruguay are reaffirming their faith in democracy. And all



those who love liberty applaud this giant step forward. President Sanguinetti, we appreciate that your official delegation includes representatives from the judicial and legislative branches, as well as your executive branch of government. Separation of powers, protection of the rights of all citizens, and a healthy respect for the opinions of others are hallmarks of a truly free society. And that is what you and the current leaders of Uruguay are building.

In recent years, we have witnessed an unprecedented expansion of democracy in the Americas. Just a decade ago, only one-third of the people in this hemisphere lived in democracy. Today 90 percent of the people live in countries that are democratic or in transition to democracy. We should not be satisfied until all Americans—and that means every living soul from the North Slope of Alaska to the tip of Tierra del Fuego—live in freedom, as is their birthright. In this hemisphere, the days of dictatorship, left or right, are numbered. The peaceful process used to reestablish democracy in Uruguay can serve as a model for others. Authoritarian regimes should take notice.

Yet, while we celebrate the progress that has been made, no one should overlook the decisive battle in the cause of human freedom now taking place in Central America. The outcome will determine, ultimately, whether the people of that region will enjoy a future blessed with peace and development or, instead, be engulfed in tyranny and conflict. We who enjoy the fruits of liberty understand that just and lasting peace is built on freedom. Our search for peace in Central America must, above all, be an effort to continue the expansion of democratic freedom that has reached four of the five nations of this troubled region. We must continue to press for a negotiated solution. And in this work, we must uphold our democratic values and insist that they be the basis for any agreement that is worthy of our support.

The Western Hemisphere still holds the promise of liberty and opportunity that drew our forefathers and mothers from the Old World. Uruguay, like the United States, is a nation of immigrants. They came to our shores in quest of freedom and looking for

the chance, through hard work, to improve their well-being and that of their families. Uruguay's commitment to economic growth and revitalization is well appreciated here. You have set out to attack not just the symptoms but the underlying causes of your country's economic problems. By protecting Uruguay's good name and creditworthiness, by avoiding simplistic solutions and quick fixes, and by strengthening your private sector, you are building the confidence at home and abroad needed to carry your country into better and more prosperous times.

Mr. President, in a speech to your people on April 7th, you said: "The state sets the direction, but it does not move the boat. The boat is moved by the private sector . . . ." Well, this appreciation of the essential role of profit motive and enterprise bodes well for Uruguay. Already, your country is enjoying its first real economic growth in 4 years. And there's every reason to be optimistic that this upward trend will continue. Let me just add that, as Uruguay's largest trading partner, nothing makes us happier than to see your country prosper.

Mr. President, I'm looking forward to getting to know you and discussing some of the issues that are of importance to both of our countries. These are exciting times, and we're proud to have you here with us and thrilled that Uruguay is again in the family of free peoples. President Sanguinetti, welcome.

*President Sanguinetti.* Mr. President, it is a great honor for any Uruguayan citizen to come to this House. There are strong reasons for this. Our countries were born during the same span of history and were part of the same liberal revolution which inspired them with the same ideals. Our century and a half of independent life since then has demonstrated our faithfulness to those principles. Because of this, we stood together in the two great World Wars of this century; milestones which have defined the political philosophies of the peoples of the world ever since. If this is true for any Uruguayan citizen, how much more so is it true for someone like me, arriving here as the President of the Republic and representing a people that has, by its vote, en-

trusted me with the difficult task of peacefully guiding our republic back, after a de facto government, to a full and stable institutional life.

You know, Mr. President, that during these last 15 months all of Uruguay has made a great effort and lived a wonderful experience of peaceful change with the full and unrestricted interplay of its institutions and rights with violence toward none. Uruguay is heir to a long democratic tradition and, therefore, suffered all the more from the collapse of its institutions. Today it feels it has returned to its old legacy and has done so in exemplary fashion, one that enhances those traditions.

For this reason, as you, yourself, have pointed out, Mr. President, you have before you today not only the Chief of the Executive Branch but also the President of the Supreme Court of Justice, the President of the House of Representatives, who represents the main opposition party, and my party's leader in the Senate, who happens to be the son of the last Uruguayan President to visit here, 31 years ago. This environment of harmonious cordiality among the different branches of government and democratic parties is the best evidence we can offer the world of what we have achieved in such a short time.

I would not be sincere, however, if I did not mention that our country is still experiencing serious problems that stem from both domestic and international causes. It is not easy, Mr. President, to strive for the consolidation of our hard-won democracy and to put our domestic economy in order while external economic and financial conditions subsist that in some cases hamper, and in other cases actually cancel out, the fruits of our own internal efforts. We must respond to the legitimate and urgent call of our people to recover their past standard of living and, at the same time, confront the heavy debts we have inherited—all within the context of an increasingly closed and protectionist world trading system. These are trends which your government has committed itself to fight; a position we wholeheartedly endorse in order to preserve the mutual advantages of fair and open world trade.

We have come to exchange views with

you and your government on many of these problems. We shall speak frankly, as we always do—the more so in a country we have always considered a friend. We may at times disagree, but precisely because of our friendship we feel that it is our duty to speak to each other with loyalty, clearly and constructively. We know that public opinion is very important in this democratic nation, and will therefore understand our positions. We are also confident that your government will take them into consideration when we look together at ways of improving our relationship and overcoming the consequences of these problems.

Either international trade is freed, or we must all resign ourselves to being locked into a new feudalism. The more powerful may survive longer, although condemned to live in an aggressive, unstable, and violent world. The weaker, like us, will be sentenced to a life of mediocrity. But all of us, sooner or later, will be staring poverty in the face. George Washington foresaw the importance of this over 200 years ago when he said, "Sound policy, humanitarianism and our own self-interest all suggest a harmonious and liberal exchange with all nations." However, even in our trading policy, we must keep a fair and unbiased position without seeking or granting favors or exclusive preferences, respecting the natural course of events. For this reason, we seek neither charity nor protectors of any kind. We need only cooperative partners, strong in capital and technology, with whom we may work together to build a better world guided by the same ideals of freedom that inspired our forefathers.

Mr. President, in a troubled world, our country is today, as it has been in the past, a land of peace and democracy. We would wish to see this same peace and democracy all over the Americas, achieved by us Latin Americans as the result of our own historical commitments and our sense of responsibility to the future. Uruguay will continue to participate in all political efforts aimed at promoting peace in today's world, especially within our America. Peace and democracy are inseparable. We cannot have one without the other. Uruguay today reaffirms once again its faith in both principles,

which constitute the backbone of its very existence as a free and independent nation.

Mr. President, it is in this spirit that we greet you, your government, and our friends, your people.

Thank you.

*Note: President Reagan spoke at 10:10 a.m.*

*at the South Portico of the White House, where President Sanguinetti was accorded a formal welcome with full military honors. President Sanguinetti spoke in Spanish, and his remarks were translated by an interpreter. Following the ceremony, the two Presidents met first in the Oval Office and later in the Cabinet Room.*

## **Appointment of Haley Barbour as Deputy Assistant to the President and Director of the Office of Political Affairs**

*June 17, 1986*

The President today announced the appointment of Haley Barbour to be Deputy Assistant to the President and Director, Office of Political Affairs. He will succeed William Lacey.

Since April 1985 he has served as Special Assistant to the President for Political Affairs, functioning as White House political liaison to the Senate. Previously, he was a partner in the law firm of Henry, Barbour and DeCell, and a director of the Deposit Guaranty Corp. From 1973 to 1976, he

served as the executive director of the Mississippi Republican Party and of the Southern Association of Republican State Chairmen. He was the Republican nominee in the 1982 Mississippi Senate race against Senator John Stennis. Mr. Barbour is the Republican national committeeman for the State of Mississippi.

He graduated from the University of Mississippi (J.D., 1973). He is married and has two children. Mr. Barbour was born October 22, 1947, in Yazoo City, MS.

## **Appointment of Edward M. Rogers, Jr., as Special Assistant to the President and Deputy Director of the Office of Political Affairs**

*June 17, 1986*

The President today announced the appointment of Edward M. Rogers, Jr., to be Special Assistant to the President and Deputy Director of the Office of Political Affairs. This is a new position.

Since July 1985 he has served as Associate Director of the Office of Political Affairs at the White House. He has been functioning as the deputy to the White House political liaison to the Senate. In 1980 he was the

press secretary for the Reagan-Bush campaign in Alabama. He has served as an advance representative for both President Reagan and Vice President Bush. In 1984 he was the Reagan-Bush '84 deputy regional campaign director for the Southeastern United States.

He is an attorney from Birmingham, AL, and a graduate of the University of Alabama School of Law (J.D., 1984).

## Nomination of Carol Fraser Fisk To Be Commissioner on Aging at the Department of Health and Human Services

*June 17, 1986*

The President today announced his intention to nominate Carol Fraser Fisk to be Commissioner on Aging, Office of Human Development Services, Department of Health and Human Services. She would succeed Marie P. Tolliver.

Since 1984 Mrs. Fisk has been Acting Commissioner, Administration on Aging. She was special assistant in the Office of Human Development Services, Department of Health and Human Services, 1981–1984; senior research associate, National Association of Counties Research, Washington, DC,

1979–1981; project coordinator, Arlington County Mental Health and Mental Retardation Services Board, 1978–1979; assistant director, Arlington United Way, 1977–1978; and acting director, research and statistics division, Northern Virginia Planning District Commission, 1972–1977.

Mrs. Fisk graduated from Connecticut College (B.A., 1968), Virginia Polytechnic Institute (M.A., 1972), and Harvard University (government managers program, 1983). She resides in Arlington, VA, and was born March 2, 1946, in Brooklyn, NY.

## Letter Accepting the Resignation of Warren E. Burger as Chief Justice of the United States Supreme Court

*June 17, 1986*

*Dear Mr. Chief Justice:*

It is with great regret that I today accept your retirement as Chief Justice of the United States, effective at the conclusion of the Court's current Term. Your service on the Court, extending over 17 years, has set a high standard for your successors, and you leave with the gratitude of the Nation you served so well.

In our discussions over the past year, you have emphasized to me the importance you attach to the work of the Commission on the Bicentennial of the United States Constitution, of which you serve as Chairman. I respect your desire to retire from the Court in order to devote your full energies to the important objectives of the Commission. But I must express regret that your extraordinary gifts will no longer be employed on our highest Court.

Your career exemplifies the highest traditions of this great Nation, having served your country in the Department of Justice, as a Judge of a United States Court of Appeals, and as Chief Justice of the United States. I can only wish you good luck and Godspeed in the important endeavor on

which you are now embarked.

With warmest wishes,  
Sincerely,

RONALD REAGAN

[The Honorable Warren E. Burger, The Chief Justice of the United States, Washington, D.C. 20543]

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*My dear Mr. President:*

Last year when you asked me to be Chairman of the Commission on the Bicentennial of the United States Constitution I agreed to undertake at least to try to get the program under way. My old friend John Warner who was similarly "drafted" to chair the 1976 Commission later cautioned me that the chairmanship of such a project was a full time enterprise.

I have discovered that John was right. Between my purely judicial work and my administrative duties, I already had two "full time jobs."

I know we share the view that the story of our great constitutional system must be

recalled to the American people—and indeed told to people everywhere who seek freedom. To tell that story as it should be told is an enormous and challenging task. I fear, however, it is now too late to enlist a new full time Chairman. Accordingly, I have resolved to request that I be relieved as Chief Justice of the United States effective July 10, 1986, or as soon thereafter as my successor is qualified, pursuant to 28 U.S.C. § 371(b).

It has been an honor and privilege to hold this great office for seventeen years

during a stirring period in the history of the Republic and of the Court. I am grateful that our system is such that this opportunity could come to me. So long as I am able, I expect, as I told the Senate Judiciary Committee on June 6, 1969, to continue to devote every energy to help make our system of justice work better.

Sincerely and respectfully,

WARREN E. BURGER

[The President, The White House, Washington, D.C.]

## Remarks on the Resignation of Supreme Court Chief Justice Warren E. Burger and the Nominations of William H. Rehnquist To Be Chief Justice and Antonin Scalia To Be an Associate Justice *June 17, 1986*

*The President.* On May 27, 1986, Chief Justice Burger advised me that he wanted to devote his full energies in the coming year to the important work of the Commission on the Bicentennial of the Constitution and for that reason would be retiring as Chief Justice of the Supreme Court as of the end of the Court's current term. Today I received with regret Chief Justice Burger's letter formally notifying me of his retirement.

And immediately after my conversation with the Chief Justice, I directed my Chief of Staff, together with the Attorney General and the Counsel of the President, to develop recommendations for a successor. And I am pleased to announce my intention to nominate William H. Rehnquist, currently an Associate Justice of the Supreme Court, as the new Chief Justice of the United States. Upon Justice Rehnquist's confirmation, I intend to nominate Antonin Scalia, currently a Judge of the United States Court of Appeals for the District of Columbia Circuit, as Justice Rehnquist's successor.

In taking this action, I am mindful of the importance of these nominations. The Supreme Court of the United States is the final arbiter of our Constitution and the meaning of our laws. The Chief Justice and the eight Associate Justices of the Court

must not only be jurists of the highest competence, they must also be attentive to the rights specifically guaranteed in our Constitution and to the proper role of the courts in our democratic system. In choosing Justice Rehnquist and Judge Scalia, I have not only selected judges who are sensitive to these matters, but through their distinguished backgrounds and achievements, reflect my desire to appoint the most qualified individuals to serve in our courts.

Justice Rehnquist has been an Associate Justice of the Supreme Court since 1971, a role in which he has served with great distinction and skill. He is noted for his intellectual power, the lucidity of his opinions, and the respect he enjoys among his colleagues. Judge Scalia has been a Judge of the United States Court of Appeals for the District of Columbia Circuit since 1982. His great personal energy, the force of his intellect, and the depth of his understanding of our constitutional jurisprudence uniquely qualify him for elevation to our highest court. I hope the Senate will promptly consider and confirm these gifted interpreters of our laws.

And in closing, I want to say a word about Chief Justice Burger. He has led the Supreme Court for 17 years, a time of great

change, and yet a period also of consolidation and stability in the decisions of the Court. Under Chief Justice Burger's guidance, the Court has remained faithful to precedent, while it sought out the principles that underlay the framers' words. He is retiring now in order to devote his full attentions to a momentous occasion in our country's history: the observance in 1987 of the 200th Anniversary of the Constitution. This is an endeavor for which all Americans will be grateful and to which I and the members of the administration will lend our total support.

I'm proud and honored to stand here today with Chief Justice Burger, with Justice Rehnquist, and with Judge Scalia, and to discharge my constitutional responsibilities as President of the United States. Thank you all. God bless you.

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*Q.* Mr. President, what impact do you think this will have on the abortion issue—perhaps the most emotional issue facing the Court?

*The President.* It probably won't surprise you when I tell you that I'm not going to take any questions now. Chief Justice Burger is here and available for any questions you might have of him, and I think the others of us—

*Q.* Are you satisfied that the judge agrees with you on the abortion issue, though, sir?

*The President.* What?

*Q.* Are you satisfied that the judge agrees with you on the abortion issue?

*The President.* I'm not going to answer any questions. If I start answering one, I'll—

*Q.* Mr. President, what was the process which led you to Judge Scalia? Did you know him before? Did people come to you and recommend him? What was the process?

*The President.* I'd previously appointed him into his present judgeship.

*Q.* Well, what made you think that he was the appropriate choice for this job?

*Q.* Well, surely you must think, sir, that he agrees with you on such issues as abortion, affirmative action, prayer in the schools?

*The President.* That's a question, and as

you said—

*Q.* Why didn't you appoint Mr. Meese?

*The President.* I can't say no questions; I can say no answers. [Laughter]

*Q.* Mr. President, without a question, could you tell us a little bit about the new Justice—whatever you can?

*Mr. Wallison.* We'll have a background—

*The President.* There will be background material—

*Q.* But, I mean, for the American people, because we—

*The President.* —that will be made available to you.

*Q.* Do you know him personally?

*The President.* Yes.

*Q.* Do you want to take questions on another subject? Have you heard from Gorbachev on the summit yet, sir?

*The President.* No, I think the subject today is justice.

*Q.* Well, could we ask Justice Burger? Chief Justice Burger, could you—

*Q.* Did he recommend his successor?

*The President.* No, the Justice said that he would not presume to do that. He did discuss with me individuals and give me his opinion of them.

*Q.* Well, Mr. Chief Justice, maybe it's appropriate now to ask you to give us your thoughts after, what, since 1969—17 years in the Court?

*Chief Justice Burger.* Seventeen years, yes.

*Q.* Sum up your tenure. What do you think you've done for this Court?

*Chief Justice Burger.* That would take me about 17 years, and you don't want to spend that much time. [Laughter]

*Q.* Why are you leaving the Court, sir? Could you explain a little bit why you're leaving the Court?

*Chief Justice Burger.* For one primary reason: that the 200th Anniversary of the Constitution got a late start—the celebration got a late start. It is vastly underfinanced, and we're going to have the devil's own time trying to do the kind of a job that ought to be done for this great event. John Warner, the Chairman of the '76 event, you remember, was drafted from his job as Secretary of the Navy, which he did not want

to leave; and being an old friend, he told me, when this subject came up last year, that the job of Chairman was a full-time job. I already have two full-time jobs, as you know: a job as a Justice of the Court and the other job with all the vast administration problems. And it just isn't feasible to have three full-time jobs.

*Q.* Is it a matter of health, sir? I mean, people don't leave the Court except for matters of health, normally.

*Chief Justice Burger.* Well, you make the diagnosis. Do I look as though I'm falling apart? [Laughter]

*Q.* No, but, sir, is—

*Q.* Well, it's not how you look, it's how you feel. I mean, was it a matter of health, sir?

*Chief Justice Burger.* Never felt better in my life.

*Q.* Are you pleased with the direction that the Court has taken? How would you assess your tenure in the Court?

*Chief Justice Burger.* I wouldn't try to assess it. I leave that to other people to do it.

*Q.* Do you leave it with satisfaction, sir—that you have accomplished what you set out to?

*Chief Justice Burger.* Not everything I set out to, no.

*Q.* Could you tell us a little bit about what you're sad not to have finished?

*Chief Justice Burger.* What I did not finish was an absolute imperative, and that's to experiment with this intermediate panel that is now pending before the Congress. It's a 5-year experiment. It won't cost any money, and that's, perhaps, why it doesn't attract much attention in Washington. It literally will cost nothing except to bring the judges from wherever they are into Washington.

*Q.* Did you participate in a judgment on the Gramm-Rudman ruling?

*Chief Justice Burger.* I'm going to answer this other question first. That bill is pending. It would take about 50 cases a year off of the Supreme Court. And at the present time, if you're doing your homework—those of you who are regulars on the Court—you'll find that there are 50 to 100 cases denying cert, where one, two, or three Justices file a dissent and say this case ought to

be taken. There are important cases that ought to be taken that aren't taken. You know, we've gone from Chief Justice Warren's first year with 65 signed opinions, and we've been running over 150 for the last 4 or 5 years. We've gone from 1,400 and some filings back in Earl Warren's day to nearly 5,000—nearly 100 a week. The Court's got to have some relief somewhere. I'm astonished that we haven't had some judges fall over with coronary thrombosis or some other illness of exhaustion and overwork. But, going back specifically, the only health problem that I know I have is the one that I have had since I was 10 years old, and that's a polio back from having polio. And apart from the ordinary mental deterioration that occurs after age 40—[laughter]—

*Q.* Did you approve of the new appointment on the Court?

*Chief Justice Burger.* I beg your pardon?

*Q.* Do you approve of the appointment of Judge Scalia?

*Chief Justice Burger.* Well, the Constitution doesn't give the Chief Justice any authority on the subject.

*Q.* But do you have a personal—

*Chief Justice Burger.* I have known each of these men. I've known Justice Rehnquist as a colleague for now, what, 15 years?

*Justice Rehnquist.* Fifteen years, Chief.

*Chief Justice Burger.* And I've known Judge Scalia since the time he was an Assistant Attorney General. He's participated in extrajudicial activities, like being a member of the American team visiting England to study some of their methods. We are not close friends. I have a high regard for each of them, a high regard.

*Q.* Sir, had you grown weary of being Chief Justice, sir?

*Chief Justice Burger.* No, I'm not weary of it. No, I would like to have stayed until we got some of this remedy that I told you about. But I think—

*Q.* Why aren't you?

*Chief Justice Burger.* I think the constitutional celebration is more important. And after all, there are some other people that can carry on this work. It's just up to the Senate.

*Q.* Can we talk to Judge Scalia and

ask—

Q. Justice Rehnquist?

Q. Can we ask Judge Scalia about his background?

Q. Has the court ruled on Gramm-Rudman?

*Chief Justice Burger.* I don't know which question—

Q. Mr. Chief Justice—

Q. Mr. Chief Justice—

*Chief Justice Burger.* Have you had the Miranda warning yet? [Laughter]

Q. Mr. Chief Justice, it's suggested that you withheld the ruling on Gramm-Rudman because there was a leak, and that out of pique the Court withheld the ruling. Can you enlighten us on that?

*Chief Justice Burger.* I thought that came down last week. Did you all miss it? [Laughter]

Q. Yes.

Q. Yes, tell us about it.

Q. And are you denying that you've ruled and affirmed the lower court finding of unconstitutionality of Gramm-Rudman?

*Chief Justice Burger.* Well, don't you go back and read those things. We came down a week ago?

Q. I missed it.

*Chief Justice Burger.* You missed it?

Q. Justice Rehnquist, could we ask you your thoughts about being nominated for the highest judicial post in this country?

*Justice Rehnquist.* Well, I'm deeply gratified by the confidence that the President has shown in me by making the nomination. I'll do my best to deserve that confidence.

Q. Mr. Rehnquist, how is your health? I hate to be a one track, but you've had some problems in the past. What—

*Justice Rehnquist.* I think I won't answer any further questions of the kind that might come up before the Senate confirmation committee.

Q. But you will have a more conservative Court now, won't you?

*Justice Rehnquist.* I stand by what I said a moment ago. I'll defer all those answers till the Senate Judiciary Committee meets.

Q. Your health will be a matter of questioning then?

Q. Judge Scalia, can you share your thoughts with us as a new nominee—as

much as you can say about your philosophy?

*Judge Scalia.* Yes, on the substance of it, I think I'm with Justice Rehnquist. I know a good idea when I hear one. [Laughter]

Q. What about your personal thoughts?

*Judge Scalia.* My personal thoughts are—for somebody who spent his whole professional life in the law—getting nominated to the Supreme Court is the culmination of a dream, of course. And I'm greatly honored that the President would have such confidence in me and hope that the Senate will do so as well. And I'll certainly do whatever I can to live up to it.

Q. Did administration officials, sir, question you on your views on *Rowe v. Wade*?

*Judge Scalia.* I think I respond the way Justice Rehnquist does.

Q. No, I'm not asking your personal view—

Q. Are you a Republican?

Q. —of that subject, sir. I'm wondering whether you were questioned before your selection was made on that subject?

*Judge Scalia.* If the Senate wants to ask that, they may. But I don't want to get into—

Q. Do you expect a prime controversy in the Senate confirmation?

*Judge Scalia.* I have no idea. I'm not a politician.

Q. Judge Rehnquist, an administrative question: How do you feel about television coverage of the Supreme Court? [Laughter]

*Justice Rehnquist.* You can call it an administrative question if you want to, but it comes under the same rubric that I indicated a moment ago. I'll defer all questions like that.

Q. Would you carry on in the same tradition as Chief Justice Burger? Do you consider the mandate to carry on in the same tradition as Chief Justice Burger or would you make changes?

*Justice Rehnquist.* Again, I will defer those questions.

Q. Mr. Chief Justice, how—

Q. Mr. Chief Justice, some people suggest that the Supreme Court has become more sharply divided under your tenure. First of all, do you agree with that, and how would you characterize the general level of comity among the Justices today?



*Chief Justice Burger.* It has not become more sharply divided. If you go back and read the opinions over 35, 40 years, you'd find there just isn't any substance to that. The reason there are nine people up there—and there are days when I'd like there to be just one—[*laughter*]*—the reason you have nine is to have this interchange and interplay. It goes on all the time. In the 17 years I have been there presiding over the conferences, never once, never once has a voice been raised in any discussions. They're vigorous discussions, as they should be—always will be, I hope. We have cordial and good relations. We can disagree in a civilized way, and we do.*

*Q. Mr. Chief Justice—*

*Q. Mr. Chief Justice, since you are not going before the Senate, perhaps you can give us your views on whether these new appointments will change the philosophy or direction of the Court in the next few years.*

*Chief Justice Burger.* Well, I could if I thought about it a great deal, but I haven't thought about it, so I would not entertain it.

*Q. Well, you know Judge Scalia better than anybody else in this room. Give us a little sense, if you would—*

*Chief Justice Burger.* No, I wouldn't say I know Judge Scalia better than anyone else in this room.

*Q. Better than anyone else on this side of the room. [Laughter]*

*Chief Justice Burger.* Then some of you haven't been on the job, doing your homework.

*Q. We cover the White House.*

*Q. When did you first hear that it was going to be announced?*

*Q. When?*

*Q. Justice Burger—*

*Chief Justice Burger.* I don't know, a day or two ago.

*Q. And—*

*Q. Could you tell us—*

*Q. Sir, what will you miss most about being Chief Justice?*

*Chief Justice Burger.* Really nothing. [*Laughter*]

*Mr. Speakes.* Your press officer reminds me you have a press conference at 6 if you would like to save some.

*Chief Justice Burger.* Yes, there's going to be a conference at 6 up at the Court. I dare

not say that we're going to serve coffee and sandwiches, because we have only prepared coffee and sandwiches for the regulars. The reason it has to be at 6 is that I had agreed with Mr.—I should know all of these famous people in television—

*Mr. Speakes.* Moyers [Bill Moyers, CBS News].

*Chief Justice Burger.* Moyers, Bill Moyers, a talk with Bill Moyers on—[*laughter*]*—just—*

*Q. He's going to be mad you didn't let him announce it.*

*Chief Justice Burger.* —just one subject, and that's the Bicentennial. That's the only subject I will discuss.

*Q. Mr. Meese, are you disappointed that you were not nominated?*

*Q. Justice Burger, was your decision to retire at this time related at all to a desire to have President Reagan appoint your successor?*

*Chief Justice Burger.* Well, if that had been my desire, I had quite a bit of time to wait here.

*Q. Can you tell—*

*Q. Attorney General Meese, could you come up and talk to us for a moment, sir?*

*Q. Chief Justice Burger—*

*Attorney General Meese.* This is the Chief Justice's conference, not mine.

*Q. Chief Justice Burger, can you tell us—*

*Q. Can you address—*

*Q. —a little something about your tendering of the resignation with the President? Did you personally come over—*

*Chief Justice Burger.* I just gave it to him 10 minutes ago.

*Q. And what happened? Can you tell us a little of the conversation?*

*Chief Justice Burger.* He said, "Thank you," as I remember. [*Laughter*] I think maybe he and his staff were a little relieved. All they had was a word of mouth from me before, and if I hadn't shown up with that letter today, you'd have really had a problem. [*Laughter*]

*Q. Chief Justice, what was the reason—*

*Chief Justice Burger.* And by the way, you'll all get copies of that letter if you'd like it.

*Q. Thank you.*

*Q.* Mr. Chief Justice, what was the reason for the timing of the announcement today of the change in the Court? The President said you decided on your resignation last month. Why was it all announced today?

*Chief Justice Burger.* You'll have to ask the President that. I don't know the timing.

*Q.* Mr. Chief Justice, if it were not for the Bicentennial, would you've retired? When? I mean, do you have any views—

*Chief Justice Burger.* By my letter, as you will see, the effective date is July 10th. We hope to conclude the term before that, but there is always a certain amount of administrative debris to be cleared up and—

*Q.* But were it not for the Bicentennial, would you have retired? At what stage?

*Chief Justice Burger.* No. No, if it were not for the Bicentennial, I would not have retired.

*Q.* What was your toughest case? Some people have suggested it was the Nixon tape case. After all, he appointed you to the Court, you joined the unanimous judgment which forced him to turn over those tapes, which were his undoing.

*Chief Justice Burger.* That was not the toughest.

*Q.* What was it?

*Chief Justice Burger.* I really don't know. I'd have to give you a list of about 25 or 30. In fact, a couple that are coming down very soon and that one last week that you fellows all missed—[laughter]—

*Q.* No.

*Q.* Is that a tough one?

*Q.* When are we going to get—

*Chief Justice Burger.* Beg your pardon?  
*Q.* When will we get that Gramm-Rudman opinion?

*Chief Justice Burger.* Sometime before the 10th of July, I hope.

*Q.* Do you think others on the Court should emulate you?

*Chief Justice Burger.* In what respect? [Laughter]

*Q.* Retiring? [Laughter]

*Q.* Judge Scalia, would you call yourself a tough judge?

*Judge Scalia.* I think that's in the category of questions I think—

*Q.* Can you tell us when you were first approached by the administration? Just give us a sense of the timing—when you first

heard and what the feelings were?

*Judge Scalia.* I think if the President wants that to be known, I'm sure he'll tell you.

*Q.* Well, why were you picked?

*Mr. Speakes.* We do have a person to give you all that information if you relinquish—

*Q.* Well, we'd rather have it from these people, themselves.

*Q.* Judge Scalia, could you tell us where you went to school and what your background is?

*Mr. Speakes.* We have that in the bins at this very moment.

*Q.* But we'd love to have it on tape.

*Q.* Judge Scalia, many of the judges appointed by this administration are said to have been subjected to a rigorous screening process conducted under Attorney General Meese. Were you at all—*Roe v. Wade* aside—asked any of your positions on various points of law?

*Judge Scalia.* I have no idea what the screening process was. And, again, you'd have to ask the Attorney General.

*Q.* No one spoke to you, sir?

*Judge Scalia.* I speak to people all the time.

*Q.* But I mean, there was no screening process directly with you?

*Judge Scalia.* I'd prefer not to answer that.

*Q.* Have you ever met the President of the United States before today?

*Judge Scalia.* Yes, I had met the President before today.

*Q.* On this subject of your appointment?

*Q.* Judge, can I ask you a question that you can answer? Can you give us the pronunciation of your name? [Laughter] I've heard it—

*Judge Scalia.* I'd be happy to do that—*Scä-lë-ä.*

*Q.* First name?

*Q.* Mr. Chief Justice, did you at any point consider telling the President that, you know, you just don't have time to run the Bicentennial—the Constitution—that, in fact, you're the Chief Justice of the United States, and you'd rather do that?

*Chief Justice Burger.* Nobody that I know of could do all three of the jobs that I spoke

of that I've been trying to do for this last year. One week, recently, after I had been carrying around a walking flu bug, one of my staff informed me that I had logged 105 hours that week. Now, 80 and 90 I can handle, but I'm getting a little too old for 105.

*Q.* Well, I think what has us all astounded here is the fact that you are the Chief Justice of the United States and you're putting that aside to handle a job that in fact is going to be over in a year.

*Chief Justice Burger.* No, 3 years.

*Q.* Well, 3 years, whatever. Did you figure perhaps you would let the President take that burden off of you so you could remain as Chief Justice, or were you simply weary of being Chief Justice?

*Chief Justice Burger.* No, I wasn't weary of being Chief Justice. It's a lot of fun. But I go back to what I said first. We have an inadequate preparation for the Bicentennial of the Constitution. It's a remarkable story. It's one of the great, great stories in American history, and it's our job to tell it. And we're just getting organized. We haven't got a main headquarters yet. We're scattered in three buildings. We've got, for Washington, a piddling appropriation of \$12 million, and 10 years ago John Warner had over \$200 million. If we're going to celebrate this thing in the proper way and have people get an understanding—in this country and elsewhere—about what freedom means and that this is the instrument that gave that freedom and how it works, there is a lot of work to be done. I expect to be working literally full time.

*Q.* You said this was the primary reason that you were resigning.

*Chief Justice Burger.* That's right.

*Q.* What would the secondary reason be, if any?

*Chief Justice Burger.* I didn't have a secondary reason.

*Q.* Mr. Meese, can you tell us how the Court might change with these changes?

*Attorney General Meese.* No.

*Q.* Mr. Justice Rehnquist—

*Q.* Are you disappointed you weren't named?

*Attorney General Meese.* No.

*Mr. Speakes.* I think the growing consensus, if we took a vote, would be time to

conclude. These gentlemen will be before the Senate, and this gentleman will be before the press this afternoon.

*Q.* Larry, just one question of Mr. Justice Rehnquist that perhaps he could answer without violating his duties to the Senate.

You, sir, have had a reputation more as a thinker and writer on the Court than as an administrator. Do you, too, consider it the culmination of a dream to be Chief Justice and thus have to take on all these administrative tasks?

*Justice Rehnquist.* I wouldn't call it the culmination of a dream, but it's not every day when you're 61 years old that you get a chance to have a new job. [Laughter] And you take on some things you don't like along with a lot of things that you do like.

*Chief Justice Burger.* In that respect, there is a perfect parallel. Bill Rehnquist is the same age I was when I was nominated back in the Garfield administration, I think it was. [Laughter]

*Q.* Ronald Reagan was 69 or 70 and he got a new job.

*Q.* Mr. Chief Justice, how have you seen the Court change philosophically during your tenure?

*Chief Justice Burger.* I think I got just part of that question. Has it changed philosophically?

*Q.* How, sir? How have you seen it change philosophically during your tenure?

*Chief Justice Burger.* Well, if you look over the history of the Supreme Court of the United States or of the country, you will find at different periods there are different needs and different problems and there are different answers. And then sometimes you find that an answer that you gave 2 years ago or 3 or 5 doesn't quite fit, and you adjust it. We have been doing some adjusting. That was done in the previous 15 years, but we haven't done a fraction of that adjusting that was done in the 15 years before my tenure began.

*Q.* Do you regret any of your decisions, sir? Any of the opinions you wrote? Would you like to change them?

*Chief Justice Burger.* I wish some of them were a little shorter. [Laughter]

*Q.* Just to follow up on my question.

*Q.* Mr. Chief Justice, you've had a good

relationship with the American Bar Association throughout your tenure as Chief Justice. Are you at all concerned that the ABA was not consulted, apparently, about your replacement on the Court?

*Chief Justice Burger.* I don't know anything about the procedures, not a thing. I have never understood that the appointments to the Supreme Court automatically were cleared with the American Bar. Sometimes they are consulted, and sometimes they're not.

*Q.* Mr. Chief Justice, if I could follow up on my question.

*Mr. Speakes.* Go ahead.

*Chief Justice Burger.* The last one.

*Mr. Speakes.* The Justice has ruled. Chief Justice has ruled—last one.

*Q.* You said that there had not been nearly the changes during your tenure as in the preceding 15 years. Does that mean there was less need for change or it just did not happen?

*Chief Justice Burger.* I'll leave that to you.

*Q.* Okay.

*Chief Justice Burger.* Objective observers

are a better judge of that than I am.

*Q.* Are you going to hand down Gramm-Rudman tomorrow?

*Chief Justice Burger.* I thought it was last week.

*Q.* Judge Scalia, can we get the pronunciation of your first name?

*Judge Scalia.* An-tôn-in is what I've always—

*Q.* Antonin Scalia?

*Judge Scalia.* That's right.

*Q.* And so forth it shall be.

*Judge Scalia.* Well, all right. [Laughter]

*Q.* Does your wife know about this?

*Mr. Speakes.* Do you want to file?

*Q.* Yes.

*Mr. Speakes.* Okay. At 2:40 we will have the background briefing. You have the two announcements in the bins, the exchange of letters, and I believe the statement by the President all in there.

*Note: The President spoke to reporters at 2 p.m. in the Briefing Room at the White House. Peter J. Wallison was Counsel to the President, and Larry M. Speakes was Principal Deputy Press Secretary to the President.*

## Nomination of William H. Rehnquist To Be Chief Justice of the United States Supreme Court

June 17, 1986

The President today announced his intention to nominate Associate Justice William H. Rehnquist to be the next Chief Justice of the United States. He would succeed Chief Justice Warren E. Burger. Justice Rehnquist was named to the United States Supreme Court in 1971 by President Nixon.

Prior to joining the Supreme Court, Justice Rehnquist served in the Department of Justice as Assistant Attorney General for the Office of Legal Counsel from 1969 to 1971. He practiced law as a partner with several firms in Phoenix, AZ, from 1953 to 1969.

He was a law clerk to Supreme Court Justice Robert H. Jackson in 1952–1953. He graduated first in his class from Stanford Law School in 1952. He received his B.A., with great distinction, from Stanford University, where he was a member of Phi Beta Kappa. He received M.A. degrees in political science from Stanford in 1948 and from Harvard in 1949.

Justice Rehnquist is married to the former Natalie Cornell, and they have three children. He was born on October 1, 1924, in Milwaukee, WI.

## **Nomination of Antonin Scalia To Be an Associate Justice of the United States Supreme Court**

*June 17, 1986*

The President today announced his intention to nominate Judge Antonin Scalia to be Associate Justice of the United States Supreme Court. He would succeed Associate Justice William H. Rehnquist upon Justice Rehnquist's confirmation as the next Chief Justice. Judge Scalia has been sitting on the U.S. Court of Appeals for the District of Columbia Circuit since 1982, when he was named to that court by President Reagan.

Prior to his appointment to the Court of Appeals, Judge Scalia was a law professor at the University of Chicago. He has also taught at Stanford, Georgetown, and the University of Virginia Law Schools. He was a resident scholar at the American Enterprise Institute in 1977. From 1974 to 1977, Judge Scalia served in the Department of Justice as Assistant Attorney General for the Office of Legal Counsel. Judge Scalia prac-

ticed law at Jones, Day, Reavis & Pogue, Cleveland, OH, between 1960 and 1967; was General Counsel of the Office of Telecommunications Policy from 1971 to 1972; and between 1972 and 1974 served as chairman of the Administrative Conference of the United States. Judge Scalia was graduated from Harvard Law School in 1960 where he was note editor of the Harvard Law Review. He received his B.A., summa cum laude, from Georgetown University in 1957, graduating valedictorian and first in his class. During 1960-1961, he held a Sheldon fellowship awarded by Harvard University.

Judge Scalia is married to the former Maureen McCarthy, and they have nine children. Judge Scalia, whose father emigrated to the United States, was born on March 11, 1936, in Trenton, NJ.

## **Nomination of Rear Admiral Francis D. Moran To Be Director of the Commissioned Officer Corps of the National Oceanic and Atmospheric Administration**

*June 17, 1986*

The President today announced his intention to nominate Rear Adm. Francis D. Moran to be Director of the Commissioned Officer Corps, National Oceanic and Atmospheric Administration, Department of Commerce. He would succeed Rear Adm. Kelly E. Taggart.

Since 1975 Admiral Moran has been with the National Oceanic and Atmospheric Administration where he currently serves as Director, Office Aircraft Operations, a position he has held since 1983. He was execu-

tive assistant, Office of the Deputy Administrator, 1982-1983; Chief, Helicopter Operations Group, NOAA Research Facilities Center, 1975-1981; and Chief, Pacific Tides Party and NOAA liaison officer to the U.S. Navy, 1970-1973.

Admiral Moran graduated from the University of Southern Mississippi (B.S., 1960) and the University of Rhode Island (masters of marine affairs, 1974). He is married, has two children, and resides in Miami, FL. He was born April 8, 1935, in Biloxi, MS.

## Appointment of Four Members of the President's Board of Advisors on Private Sector Initiatives

June 17, 1986

The President today announced his intention to appoint the following individuals to be members of the President's Board of Advisors on Private Sector Initiatives. The Board is comprised of key leaders from the private sector who make recommendations to the President on stimulating partnerships which make the best use of the Nation's resources in all sectors—public, private, and nonprofit.

The Board of Advisors succeeds the President's Advisory Council on Private Sector Initiatives (1983–1985) and the President's Task Force on Private Sector Initiatives (1981–1982). The Board reports to the President through the White House Office of Private Sector Initiatives. The mission of the Board includes raising awareness, stimulating new private sector initiatives, removing barriers to public-private partnerships, and promoting the long-term development of private sector initiatives.

The following are new members:

*James L. Ketelsen*, of Texas, is chairman and chief executive officer of Tenneco, Inc. He currently serves on the boards of Morgan Guaranty Trust Co., Sara Lee Inc., American Petroleum Institute, and Northwestern University. Mr. Ketel-

sen was a 1982 recipient of the President's Volunteer Action Award that was given to Tenneco for its corporate community involvement program. Mr. Ketelsen received his degree from Northwestern University.

*William B. Walsh, M.D.*, of Virginia, is founder and president of Project HOPE, a volunteer organization that has lead the way in trying to find some meaningful private sector solutions to world health problems. Dr. Walsh received his medical degree from the Georgetown University School of Medicine in Washington, DC.

*Richard Treibick*, of Connecticut, is president and chairman of the board of Cable Holdings, Inc., a company engaged in the cable television business. He is president of Alexandra Realty Corp., which handles construction and development of real estate and other projects. He is a member of the New York Association for the Blind, a volunteer organization to help the handicapped. Mr. Treibick attended Cornell University and Columbia University.

*Frederic H. Brooks*, of Connecticut, is chairman of the board of MacGregor Sporting Goods Co. headquartered in East Rutherford, NJ. He is also president of Connecticut Economics Corp. Mr. Brooks has been involved in several international volunteer activities, including a 1984 trade mission to explore investment and trade with the Government of Haiti. Mr. Brooks received his degree from Columbia University.

## Appointment of J. Dennis McQuaid as a Delegate to the National White House Conference on Small Business

June 17, 1986

The President today announced his intention to appoint J. Dennis McQuaid to be a delegate to the National White House Conference on Small Business. This is a new position.

Mr. McQuaid is a practicing attorney with

the firm of McQuaid, Bedford & Brayton in San Francisco, CA. He graduated from St. Patrick's College (A.B., 1961) and the University of San Francisco Law School (J.D., 1970). He was born on April 19, 1939, in San Diego, CA.

## **Nomination of Simon C. Fireman To Be a Member of the Board of Directors of the Export-Import Bank of the United States**

*June 17, 1986*

The President today announced his intention to nominate Simon C. Fireman to be a member of the Board of Directors of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 1987. He would succeed Richard H. Hughes.

Mr. Fireman is founder and chairman of Aqua-Leisure Industries, Inc., in Avon, MA,

which he established in 1970. Previously Mr. Fireman was president and chief executive officer of Marine Hardware and Supply Co., Inc., of Boston, 1946-1970.

Mr. Fireman attended Harvard University and Boston University. He is married, has three children, and resides in Avon, MA. Mr. Fireman was born on September 10, 1925.

## **Nomination of Milton Frank To Be a Member of the Board of Directors of the African Development Foundation, and Designation as Vice Chairperson**

*June 17, 1986*

The President today announced his intention to nominate Milton Frank to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring February 9, 1990. He would succeed A.C. Aterbery. Upon confirmation he would be designated Vice Chairperson.

Mr. Frank is currently special assistant to the president of Adelphi University. Previously, he was director of public affairs of the California State University system, 1969-1985; and in 1973 he started his own

public relations firm in California. He served in various public affairs positions in the Department of Defense during his military service, 1942-1968; including Director of Public Affairs, NORAD, 1966-1969, and Director of Public Affairs, U.S. Forces, Japan, 1964-1966.

Mr. Frank graduated from the University of California, Berkeley (B.A., 1941) and Boston University (M.S., 1958). He has one child and resides in Santa Monica, CA. Mr. Frank was born on November 18, 1919, in Reno, NV.

## **Nomination of Calvin Henry Raullerson To Be a Member of the Peace Corps National Advisory Council**

*June 17, 1986*

The President today announced his intention to nominate Calvin Henry Raullerson to be a member of the Peace Corps National Advisory Council for a term of 1 year expiring November 29, 1986. This is a new position.

Since 1985 Mr. Raullerson has been with the firm of Keene, Monk & Associates in

Middleburg, VA. Previously, he was vice president, the African American Institute, 1981-1985; Assistant Administrator, Bureau for Private and Development Cooperation, 1978-1981, and special assistant to the Administrator, Bureau for Private and Development Cooperation, February 1978 to August 1978, at the U.S. Agency for Inter-

national Development; assistant professor, health organization management, school of medicine, Texas Tech University complex, 1973–1978; and with the Peace Corps as Regional Director for Africa, 1971–1973; Peace Corps Director in Nairobi, Kenya, 1969–1971; and Chief, East and Southern

Africa, in Washington, DC, 1966–1969.

Mr. Raullerson graduated from Lincoln University (A.B., 1943) and New York University (M.P.A., 1949). He is married, has three children, and resides in Bethesda, MD. Mr. Raullerson was born December 18, 1920, in Utica, NY.

## Statement on the Death of Kate Smith

*June 17, 1986*

Kate Smith was a patriot in every sense of the word. She thrilled us all with her stirring rendition of “God Bless America” and sang with a passion which left few eyes dry. For many years, Kate Smith touched our hearts and souls and made us all swell with the special pride of being Americans.

No one who heard her sing will ever

forget the verve she brought to her music in a way which made her a special part of the American fabric. All America loved her, and she loved America. America was indeed God-blessed to have Kate Smith as one of her daughters. Nancy and I will miss her and extend our deepest sympathy to her family.

## Toasts at the State Dinner for President Julio María Sanguinetti of Uruguay

*June 17, 1986*

*President Reagan.* Greetings, and welcome to the White House, if you don’t feel welcome already. Tonight we mark not only the visit of a friend, but also we celebrate a nation’s return to democracy. Historic events such as the rebirth of Uruguayan democracy do not just happen. They’re the outcome of the hard work, courage, and commitment of extraordinary individuals. Tonight it’s my honor to be hosting such an extraordinary individual, a man who shepherded his country through the rocks and crevasses of military rule and safely back to freedom.

Speaking for his fellow countrymen earlier this year, President Sanguinetti said, “We know we want democracy; we know we want the observance of human rights; we know we want the self-determination of the people; we know we want the enforcement of the principles of international law within our America; we know we want peace.” Well, Mr. President, we share those goals,

and we also know what we want: We want to be friends with those who love liberty, people like yourself and your fellow citizens of Uruguay.

As I indicated in my welcoming remarks this morning, a love of freedom is an integral part of the national identities of our two countries. One need only think back to the hero whose birthday your country celebrates this week—General José Artigas, a romantic and dashing figure if there ever was one. This brave man, along with his army of gauchos, fought a courageous fight for freedom and independence. Once he had won the day, unlike so many other so-called leaders throughout the world, he did not march to the capital. Instead, he lived in the countryside, content with the title, “Protector of Free Peoples,” which his countrymen had affectionately bestowed upon him. Mr. President, as the elected leaders of democratic governments, we, too, are the protectors of the people—not just at



home, but wherever people struggle for liberty. And, if you'll pardon me for turning around a quotation from General Artigas, today, for those who live in democracy, the challenge is for us to be as brave as we are enlightened.

So, I would ask all of you to join me in a toast to a modern-day hero of freedom, President Sanguinetti, and his good lady and the people of Uruguay.

*President Sanguinetti.* Mr. President, dear friends, you have spoken just now of some two things which are especially dear to us Uruguayans: friendship and General Artigas. I would like to speak about both of these things because they are both related historically.

The friendship between our peoples was born during the time of Artigas' life. Artigas had only the support of the United States. He was received with very great misunderstanding all over the Americas as well as in Europe. All of his political culture and education came from here. He was a man of arms, a man of the country. The common sense of Thomas Paine had already explained to him what the ideas of freedom were. And he had taken them into his heart, and with incredible tenacity and honesty, he stuck to them throughout.

I would like to remind you that in 1815, precisely when the provinces of the River Plate region gave him the title or the name, "Protector," he found himself quite alone. At that time, he was fighting not only against the Spanish Empire but also against the Portuguese, which at that time was very strong. So, the Secretary of State of President Madison, who was—of President Monroe, rather—who was James Madison, at the time, sent a mission to see General Artigas, and General Artigas asked for American support against the Portuguese. The Americans gave that support in the form of seamen from Baltimore. So, supported by these naval people from the United States, from Baltimore, Artigas broke the Portuguese blockade.

It was from then that the idea of political freedom and freedom of trade appeared in association. The next year the situation got a lot worse for Artigas, and a very interesting debate took place in the U.S. Congress. Fortunately, by that time James Monroe

was President, and he was very well aware of the situation. The Secretary of State then was James Quincy Adams. And Clay, who was a bit ahead of them politically, assumed a position against Artigas. Then came a debate which would be slightly difficult to reproduce here. But I can tell you that the U.S. Congress debated this in great depth and, in the final analysis, the position of Monroe and John Quincy Adams prevailed. And there it was said that General Artigas was the only real democrat of the River Plate provinces. And I think, if I'm not mistaken, the phrase was, "This brave and chivalrous Republican."

We could continue talking about this longer, but I would just recall that in 1820, the star over Artigas set, and he was defeated. Abandoned then, he chose the road of exile. And he received then a letter from James Monroe which, fortunately, still survives. In this letter, Monroe offered asylum in the United States. This letter said that not only would he be allowed to lead a peaceful life here, but that he would be given also a stipend or a pension in keeping with his condition in life and his rank. At the very saddest moment in his life, the only voice he had nearby was that one. And that man, who was defeated militarily, triumphed spiritually because he created a country with an idea, an ideal, and that ideal was the ideal of freedom.

So you see, Mr. President, how old are the ties which bind us in this friendship. A century and a half have passed. Our nations have prospered, have grown, and have had their history. The important thing is that we continue inspired by the same banner, the same flag—the flag of freedom. I would like to propose a toast that that flag of friendship and of freedom never be struck down. So, together with your wife and you and all our friends here present, I would like to propose a toast to that old friendship, which is always renewed.

*Note: President Reagan spoke at 9:47 p.m. in the State Dining Room at the White House. President Sanguinetti spoke in Spanish, and his remarks were translated by an interpreter.*

## Statement by Principal Deputy Press Secretary Speakes on the President's Meeting With Nicaraguan Democratic Resistance Leaders

*June 18, 1986*

The President met this morning with the leaders of the United Nicaraguan Opposition (UNO)—Alfonso Robelo, Arturo Cruz, and Adolpho Calero. They discussed with him the serious threat to the resistance forces now that the United States has cut off all assistance. The three leaders of the democratic resistance told the President that Nicaraguan freedom fighters have never been more committed to their struggle and will fight on, whatever the odds. They promised to fight alone, if necessary, against the largest army in Central America—an army supplied with the most deadly Soviet weaponry and trained and led by Cuban mercenaries.

The resistance leaders pledged their efforts to keep Congress and the American people aware of the urgency of this situation. They expressed their concern over the Sandinista tactics of stalling in regional negotiations while using the delay to attempt to stamp out both the resistance and the internal opposition. The resistance leaders pointed out that the Soviets are stepping up their weapons shipments and direct assistance to the Sandinistas in the hope that they can destroy the freedom fighters

before help arrives. The President pledged that we cannot let that happen and noted that the world is watching us to see if the United States is only a fair-weather friend of freedom, unwilling to help those fighting and dying for the very same principles and beliefs on which our nation was founded.

The UNO leaders briefed the President on the recent steps they have taken to broaden their democratic base, refine their political program, and ensure that their movement remains representative of the Nicaraguan people. The President congratulated the UNO leaders on these steps. He praised the Nicaraguan leaders for their clear and firm commitment to the goal of establishing democratic government in their country.

The President stressed that aid to the democratic resistance should not be a partisan matter, that the support of freedom and opposition to Soviet expansionism on the American mainland is an issue on which both parties should be united. He recalled how a quarter of a century ago President Kennedy stood upon the east steps of the Capitol Building and pledged to “support any friend, oppose any foe, to assure the survival and success of liberty.”

## Remarks at the Presentation Ceremony for the “C” Flag Awards

*June 18, 1986*

Please be seated. I want to tell you, we really have tight security here. As a matter of fact, the Vice President and I found out we couldn't get out of the door in the Oval Office. *[Laughter]* So, we made our way around. Well, thank you all, and welcome to the Rose Garden. And I want to thank the advance team for arranging such pleasant weather for today. Usually, in this season of the year, these summer events in the Rose Garden are a little like a steambath. As one

newcomer to Washington summers once remarked: “It's not the heat, it's the humility.” He obviously hadn't been here long, because humility is not in great supply in this town. *[Laughter]*

But I want to extend special thanks to John Phelan who has very actively taken on the chairmanship of my Board of Advisors for Private Sector Initiatives. It's always good to know that the chairman of the New

York Stock Exchange is bullish on our program. I also want to thank Eddie Fritts who, as vice chairman of the Board, is mobilizing the communications industry to recognize model private sector initiatives around the country and help give credit where credit is due. And I also want to thank Bill Taylor, the chairman of the "C" Flag program, who has provided strong leadership and, together with the other sponsoring organizations, has made this day possible.

Thinking earlier about this "C" Flag ceremony and the spirit of kindness and caring it represents, I couldn't help but remember an old story. When you get to be my age, most stories you remember are old. [Laughter] It's about that traveling salesman who was having kind of a rough day of it. And he went into a diner finally, wearily, and ordered a cup of coffee and a couple of eggs. And the waitress brought the order and said, "Will there be anything else?" And he said, "Well, how about a few kind words." She said, "Don't eat the eggs." [Laughter]

The truth is, when we first came to office talking about private sector initiatives, there were a lot of skeptics out there. In those days people had been conditioned to—certainly beginning to be conditioned—to always look to government first. But the funny thing was, the more they depended on government, the more disappointed they invariably became. To steal a phrase from the private sector, they were using it more, but enjoying it less. What had been forgotten in all those times was that, with personal charity, there are two winners: the person who gives as well as the person who receives. And very often, it's the giver who receives the most precious gift. Personal, private charity humanizes a society. It makes us more aware of each other, of our hopes and needs and of our sorrows and our joys, and it makes us all more compassionate. I think we found that the cold, clinical, impersonal giving of government handouts can just never replace private voluntarism; sometimes it's even counterproductive.

It reminds me of another story, one of my favorites, about that fellow that was riding a motorcycle on a cold day. And the winds, hitting the buttons on the front of his leath-

er jacket, were chilling him. And he finally pulled over and turned the jacket around and put it on backward. And that protected him from the wind, but it also restricted his arm movement somewhat and he hit a patch of ice, skidded into a tree. When the ambulance got there and the attendants elbowed their way through the crowd that had gathered, and they said, "What happened?" And one of the people that was there first said, "Well, we don't know. When we got here, he seemed to be all right, but by the time we had his head turned around straight, he was dead." [Laughter] That story comes to mind when I think sometimes of government's efforts.

Well, I said earlier there were skeptics, but they're being blown out of the water by the rising tide of charitable giving. In 1985 all of you, the private citizens of this country, the corporations and the foundations, gave a record of nearly \$80 billion to philanthropic causes. And that was an increase of \$6½ billion, roughly, more than from 1984. Between 1980 and '85 charitable giving in this country has risen over 60 percent. Private corporations have been an important part of this renaissance in private giving, as the thousands of "C" Flags, waving over office buildings from New York to San Francisco, attest. It's particularly significant that corporations and associations in this country are on the move in new and innovative ways, channeling resources and creative genius into improving our communities. Corporate giving of in-kind and noncash donations, such as property, personnel, products, and low-interest loans, have as much as tripled—without replacing cash contributions. You are using your organizational expertise and knowledge on the marketplace to focus on new opportunities to promote community partnerships. These private sector initiatives are win-win situations and demonstrate that no task is too difficult or challenge too great when matched against American ingenuity and resourcefulness.

All of you here today are shining examples of the can-do spirit. For example, there's the program initiated by the Clorox Company in Oakland, California. It's called Project JOY—that stands for Job Opportuni-

ties for Youth—training young people in the art of getting and holding on to jobs. There's the program begun by Avon Products to enable disadvantaged children to give Christmas gifts to their families. Can you ever imagine government thinking of that one, or doing it? The Kroger Company donated 10 cents of every purchase of a certain number of items, raising \$100,000 in 1 week, to help feed the poor. Polaroid Corporation in Boston trains 500 unemployed from the inner city every year for meaningful, full-time jobs and follows up to make sure they stay employed. Now, that's a pretty picture. The Pillsbury Company is carrying good will abroad with a self-help program to improve nutrition in rural Bo-

livia. I wish I could name you all. The good work you're doing makes your country proud. We've shown that American business can, and that American business cares.

And now I am going to hand this ceremony over to Bill Taylor and John here who'll be calling your names and helping as I present the awards. And in advance I'll say congratulations to you all. Keep up the good work, and thank you, and God bless you.

*Note: The President spoke at 11:36 a.m. in the Rose Garden at the White House. He presented citations to 30 businesses and associations for their outstanding private sector initiatives.*

## Nomination of James Malone Theodore Rentschler To Be United States Ambassador to Guinea

June 18, 1986

The President today announced his intention to nominate James Malone Theodore Rentschler, of Pennsylvania, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador to the Republic of Guinea. He succeeds James D. Rosenthal.

Mr. Rentschler served in the United States Army Security Agency as a military linguist from 1955 to 1958. He was a mortgage/title examiner at Berks County Trust Co., Reading, PA, 1958–1959. He entered the Foreign Service in 1959 with the United States Information Agency as assistant cultural attaché in Rio de Janeiro and Sao Paulo, Brazil. In 1961 he was branch public affairs officer in Fez, Morocco, where he served until 1963 when he was assigned as public affairs officer in Ouagadougou, Burkina Faso. From 1965 to 1966, he was detailed to the Johns Hopkins European Center in Bologna, Italy. Mr. Rentschler was press attaché and Acting

Public Affairs Counselor at USNATO in Paris, France, and Brussels, Belgium, 1971–1974. From 1974 to 1975, he was a member of the Senior Seminar in National and International Affairs at the Foreign Service Institute. From 1976 to 1978, he was Counselor of Embassy for Public Affairs in Rabat, Morocco. In 1978 he became a senior staff member and Director of West European Affairs on the National Security Council, the White House. From 1982 to 1985, he served as Ambassador to Malta, and since that time has been Ambassador-in-Residence at the Fletcher School of Law and Diplomacy at Tufts University.

Mr. Rentschler was born October 16, 1933, in Rochester, MN. In 1964 he received his certificat from the University of Paris; graduated from Yale University (B.A., 1955), and received his M.A. from Johns Hopkins University in 1966. His foreign languages are French, Portuguese, Italian, and Romanian.

## Message to the Senate Transmitting the Berne Convention for the Protection of Literary and Artistic Works

*June 18, 1986*

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to accession, I transmit herewith the Berne Convention for the Protection of Literary and Artistic Works. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Convention.

The Convention obligates States party to the Convention to maintain high levels of protection for artistic works. The extent of protected works is broad, ranging from conventional works—such as books, motion pictures, and music—to new technological works including audio and video cassettes, and computer-related works. The Convention contains detailed provisions that specify minimum levels of protection to be provided by member countries.

Adherence to the Convention by the United States will demonstrate our commitment to improving international protection

afforded intellectual property. When we are urging other countries to enhance copyright protection, the United States can no longer remain outside the Berne Union. It is, therefore, a matter of some urgency that the United States finally join the Berne Convention.

As indicated in the report of the Department of State, implementation of the Convention will require legislation. Until this legislation is enacted, the United States instrument of accession will not be deposited with the Director General of the World Intellectual Property Organization.

I recommend that the Senate give early and favorable consideration to the Convention and give its advice and consent to accession.

RONALD REAGAN

The White House,  
June 18, 1986.

## Letter to the Speaker of the House of Representatives and the President of the Senate on the Sale of AWACS Aircraft to Saudi Arabia

*June 18, 1986*

*Dear Mr. Speaker: (Dear Mr. President:)*

By letter dated October 28, 1981, I assured then-Senate Majority Leader Baker that the proposed transfer to Saudi Arabia of AWACS aircraft would not occur until I had certified to the Congress that specified conditions had been met. Subsequently, Section 131 of the International Security and Development Cooperation Act of 1985 ("ISDCA") incorporated the text of that letter, with its conditions for certification, into legislation.

I am pleased to inform you that all conditions set forth in my October 28 letter and repeated in Section 131 of the ISDCA have now been met and that I herewith forward

to you my certification to that effect. Through the extensive efforts of the Defense and State Departments, agreements and other actions necessary to fulfill these requirements have been concluded.

I now wish to draw particular attention to the sixth condition that I have certified. I remain convinced that, as I stated in 1981, the sale of these AWACS aircraft to Saudi Arabia will contribute directly to the stability and security of the area and enhance the atmosphere and prospects for progress toward peace. I also believe that significant progress toward peaceful resolution of disputes in the region has been accomplished with the substantial assistance of Saudi

Arabia. These perceptions are strengthened by a review of events of the last five years.

The current deployment of U.S. AWACS aircraft to Saudi Arabia has contributed significantly to the stability and security of Saudi Arabia and the region as a whole. The Royal Saudi Air Force's (RSAF) gradual assumption of the role now performed by the U.S. AWACS aircraft will continue this contribution. Over the past five years the U.S. AWACS aircraft have demonstrated their ability to detect approaching Iranian aircraft well before they would be detected by ground-based radar. This early detection, coupled with the demonstrated resolve of the RSAF to deploy its F-15s and engage aggressor aircraft, has deterred Iran from escalating attacks against targets on land and in Gulf waters under the Saudi protective umbrella. The Saudi commitment to a strong defense as evidenced by such measures as the AWACS acquisition, past defensive military action, and efforts to organize collective security among the member states of the Gulf Cooperation Council (GCC), taken together with the Kingdom's obvious lack of aggressive intent, have contributed and will continue to contribute to the stability and security of the area. Our continued success in helping to support regional stability will diminish prospects that U.S. forces might be called upon to protect the governments, shipping lanes, or vital petroleum resources of the region.

Saudi Arabia has firmly supported every significant diplomatic effort to end the Iran-Iraq war. Mediation missions under the auspices of the United Nations, the Organization of the Islamic Conference, and third countries acting independently have received Saudi diplomatic and facilitative assistance. In encouraging a negotiated settlement of the conflict, the Saudis have made clear their preference that the war end without concessions of sovereignty by either side.

Saudi efforts to advance the Arab-Israeli peace process have been substantial. The Fahd Peace Plan and the Arab endorsement of the plan embodied in the 1982 Fez Communique significantly and irreversibly modified the Arab consensus of the three "no's" enunciated at the 1968 Khartoum Summit, i.e., no recognition, no negotiation,

and no conciliation with Israel. The Fez Communique moved the formal Arab position from rejection of peace to consideration of *how* to achieve peace with Israel. The plan's statement that all states in the region should be able to live in peace was an implicit acceptance of the right of Israel to a secure existence. The concept of land for peace was a direct reflection of U.N. Resolution 242. While various elements of the Fez Plan differ from our views, the Plan remains the single largest step toward peace on which the Arab world has been able to agree. The existence of this consensus provided a base from which King Hussein felt he could launch his initiative to bring Israel, Jordan, and the Palestinians to the negotiating table in 1984-85.

Saudi Arabia has signaled its tacit support for King Hussein's moves to lay the foundation for peace negotiations by continuing substantial financial assistance payments to Jordan following critical steps in the process, i.e., after Jordan resumed diplomatic relations with Egypt and again after the February 1985 agreement between Hussein and PLO Chairman Arafat. Despite vocal Syrian opposition, the Saudis sent official observers to the Amman Palestine National Council meeting in late 1984 where moderate Palestinians made a decision to break with the radicals thereby opening the way for King Hussein to begin his peace initiative.

During the subsequent and continuing debate over how to make peace with Israel, the Saudis have consistently lent support to moderate Arab governments. Egypt's readmission to the Organization of the Islamic Conference was significantly assisted by crucial Saudi support for a procedural motion calling for a secret ballot on the readmission vote. Following the police riots in Cairo in February of this year, the Saudi Council of Ministers issued a statement supporting President Mubarak.

Although its efforts, like our own, met with limited success, Saudi Arabia played a major and highly visible role in attempts to arrange a lasting cease-fire in Lebanon. In the August 1983 efforts of Crown Prince Abdullah and Prince Bandar to bring an end to fighting in the Shuf mountains, and

again through observers at the Geneva and Lausanne Lebanese national reconciliation talks, Saudi Arabia sought to bring peace to a moderate Arab nation and establish the framework for stable government. The Saudis also proved supportive of Lebanese efforts to negotiate directly with Israel conditions for Israeli withdrawal from southern Lebanon. In this regard, the Saudis supported Lebanese efforts to win Syrian consent to compromises necessary to reach agreement.

Saudi Arabia has provided crucial support for Sudan during that country's transition to a democratic form of government. Furthermore, it has established a significant record in working for regional stability and settlement of regional disputes in countries beyond its immediate neighborhood. Saudi aid has been crucial to the Afghan cause and significant to Pakistan, Morocco, and Tunisia. Despite limitations imposed by concern for its own security, the depth of regional animosities, and the need to establish and work within an Arab consensus, Saudi Arabia has assisted substantially the significant progress that has been made in the peaceful resolution of disputes in the region.

Saudi Arabia has publicly condemned terrorism and terrorist actions, having itself been a victim of terrorism. More important, it has taken practical actions to oppose terrorism regardless of its origins.

I am convinced that the assurances I made in my letter to Senator Baker have been amply fulfilled. A firm foundation has been laid for close and continued U.S.-Saudi cooperation in operating the Saudi AWACS and in building an air defense system for Saudi Arabia and the GCC. By contributing to the self-defense of these countries, we are diminishing the likelihood of direct intervention by U.S. forces in defense of vital Western interests. At the same time, we are encouraging forces of moderation which, if they prevail, will bring lasting peace to a turbulent region.

Sincerely,

RONALD REAGAN

*Certification of Conditions Requisite To Transfer of AWACS Aircraft to Saudi Arabia*

In accordance with Section 131 of the International Security and Development Cooperation Act of 1985, P.L. 99-83, I hereby certify that the conditions set forth in my communication of October 28, 1981, to the Senate with respect to the transfer to Saudi Arabia of five E-3A airborne warning and control system (AWACS) aircraft have been met, specifically:

*1. Security of Technology*

A. That a detailed plan for the security of equipment, technology, information, and supporting documentation has been agreed to by the United States and Saudi Arabia and is in place; and

B. The security provisions for Saudi AWACS aircraft are no less stringent than measures employed by the United States for protection and control of its equipment of like kind outside the continental United States; and

C. The United States has the right of continual on-site inspection and surveillance by U.S. personnel of security arrangements for all operations during the useful life of the AWACS. It is further provided that security arrangements will be supplemented by additional U.S. personnel if it is deemed necessary by the two parties; and

D. Saudi Arabia will not permit citizens of third nations either to perform maintenance on the AWACS or to modify any such equipment without prior, explicit mutual consent of the two governments; and

E. Computer software, as designated by the United States Government, will remain the property of the United States Government.

*2. Access to Information*

That Saudi Arabia has agreed to share with the United States continuously and completely the information that it acquires from use of the AWACS.

*3. Control Over Third-Country Participation*

A. That Saudi Arabia has agreed not to share access to AWACS equipment, technology, documentation, or any information developed from such equipment or technology

gy with any nation other than the United States without the prior, explicit mutual consent of both governments; and

B. There are in place adequate and effective procedures requiring the screening and security clearance of citizens of Saudi Arabia and only cleared Saudi citizens and cleared U.S. nationals will have access to AWACS equipment, technology, or documentation, or information derived therefrom, without the prior, explicit mutual consent of the two governments.

#### 4. AWACS Flight Operations

That the Saudi AWACS will be operated solely within the boundaries of Saudi Arabia, except with the prior, explicit mutual consent of the two governments, and solely for defensive purposes as defined by the United States, in order to maintain security and regional stability.

#### 5. Command Structure

That agreements as they concern organi-

zational command and control structure for the operation of AWACS are of such a nature to guarantee that the commitments above will be honored.

#### 6. Regional Peace and Security

That the sale contributes directly to the stability and security of the area and enhances the atmosphere and prospects for progress toward peace. Significant progress toward the peaceful resolution of disputes in the region has been accomplished with the substantial assistance of Saudi Arabia.

I will provide separately to the Congress, under appropriate procedures, those contracts and agreements pertinent to this sale and certification, including those whose confidentiality must be preserved.

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.*

## Letter to Congressional Leaders Transmitting a Report on Soviet and United States Compliance With Arms Control Agreements

June 19, 1986

*Dear Mr. Speaker: (Dear Mr. President:)  
(Dear Mr. Chairman:)*

The FY 1986 Department of Defense Authorization Bill (Senate Report 99-118, pp. 466/7) requested a report to the Congress addressing both policy and programmatic responses, including possible weapons system developments and procurements, designed to reduce the implications of Soviet noncompliance for U.S. national security. Additionally, the FY 1986 Department of Defense Authorization Act (Title X, Section 1001) also requested a report containing a comprehensive range of projections and comparisons of U.S. and Soviet strategic force dismantlements, inventories, and negotiation responses, in terms of adherence to existing strategic arms control agreements, etc., as well as any measures proposed as necessary to protect the security of the United States in responding to Soviet noncompliance.

During the past several months, my senior advisors and I have considered the implications of Soviet noncompliance for U.S. and Allied security, as well as the Soviet strategic arms buildup, and Soviet behavior at the Geneva negotiations. We consulted with key Allies and members of Congress. We also took account of the sense of the Congress expressed in the above legislation concerning changes in U.S. interim restraint policy.

To fulfill the first legislative request above, I am forwarding my major statement of May 27, as well as an accompanying White House fact sheet reflecting the Administration's assessment of the implications of Soviet behavior and of the corresponding requirements for programmatic U.S. responses.

To satisfy the second legislative request cited above, I am also providing a separate *classified* report concerning Soviet and U.S.



force dismantlements and projections with and without SALT I and II limits. This report makes clear that SALT II and I codified a very major arms buildup including a quadrupling of Soviet strategic weapons (warheads and bombs) since SALT I was signed in 1972 and a near doubling of Soviet ballistic missile warheads from about 5,000 to more than 9,000 since SALT II was signed in 1979.

The report further finds that the SALT I and II agreements, even if fully complied with, would not prevent a very substantial further expansion of Soviet capabilities. We believe that, absent SALT II, the Soviets would not necessarily expand their forces significantly beyond the increases already projected *with* SALT II since the Soviet forces are very large and would appear, in our judgment, more than enough to meet reasonable military requirements.

My belief that U.S. restraint requires Soviet reciprocity has long been clear. I announced in 1982 that in spite of the serious flaws in the SALT agreements, the U.S., in an effort to foster *mutual* restraint conducive to negotiating arms reductions agreements, would not undercut the SALT agreements *so long as* the USSR exercised *equal* restraint. In three comprehensive reports to the Congress, I have detailed the facts and adverse implications of Soviet noncompliance for our security and the integrity of the arms control process.

In June of last year, I went the extra mile. Regrettably, the Soviets did not alter their behavior. Given this situation, I determined that, in the future, the United States must base decisions regarding its strategic force structure on the nature and magnitude of the threat posed by Soviet strategic forces, and not on standards contained in the SALT structure which has been undermined by Soviet noncompliance, and especially in a flawed SALT II treaty which was

never ratified, would have expired if it had been ratified, and has been violated by the Soviet Union.

The full implementation of the Strategic Modernization Program is critical both to meeting our future national security needs and to appropriately responding to Soviet noncompliance. However, we will exercise utmost restraint. As we modernize, we will continue to retire older forces as national security requirements permit. We do not anticipate any appreciable growth in the size of U.S. strategic forces. Assuming no significant change in the threat, we will not deploy more strategic nuclear delivery vehicles or more strategic ballistic missile warheads than does the Soviet Union.

As a result of my decision to retire two POSEIDON submarines, the United States will remain technically in observance of the terms of the SALT II Treaty for some months. We continue to hope that the Soviet Union will use this additional time to take the constructive steps needed to alter the current situation. Should they do so, we will take this into account.

I want to emphasize that no policy of interim restraint is a substitute for an agreement on deep and equitable reductions in offensive nuclear arms, provided that we can be confident of Soviet compliance with it. Achieving such reductions continues to receive my highest priority. This is the most direct path to achieving greater stability and a safer world.

Sincerely,

RONALD REAGAN

*Note: Identical letters were sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives; George Bush, President of the Senate; Barry Goldwater, chairman of the Senate Armed Services Committee; and Les Aspin, chairman of the House Armed Services Committee.*

## Statement on Signing the Safe Drinking Water Act Amendments of 1986

*June 19, 1986*

I am signing today S. 124, the Safe Drinking Water Act Amendments of 1986. This legislation reauthorizes and amends the law that establishes Federal regulation of the Nation's public drinking water systems. The Safe Drinking Water Act was enacted in 1974 to assure that public drinking water supplies are safe.

Impetus for the original law was provided by studies conducted by the Environmental Protection Agency in the early 1970's which showed that many public water supplies were periodically contaminated by synthetic organic chemicals. To protect the quality of the Nation's drinking water, the original law directs the Administrator of the Environmental Protection Agency to establish national drinking water standards, enforceable by the States, that are designed to protect the public health. In addition, the act requires the Administrator of the EPA to regulate State underground injection control programs to protect underground sources of drinking water. Operators of public water systems are required to monitor the water quality to assure compliance with EPA standards.

Experience gained by the EPA and the States in administering the Safe Drinking Water Act has shown that some revisions to the original Act, designed to improve program administration, are desirable. The legislation I am signing today contains some of these reforms, including:

- provisions simplifying and streamlining the standard-setting process. These provisions will assure that drinking water contaminants will be regulated in a more timely fashion;

- provisions strengthening the EPA's enforcement authorities when a State fails to enforce the national standards. Most importantly, the EPA is given administrative order and penalty authority, allowing the EPA to take administrative action in certain cases rather than being forced to resort to court action in all cases to enforce the provisions of the act whenever a violation

occurs; and

- provisions allowing the EPA, in certain instances, to delegate enforcement authority to Indian Tribes in the same way that such authority is currently being delegated to States.

This legislation, however, does include provisions that are not supported by the administration. I agree with the necessity for the EPA to regulate drinking water contaminants posing a significant health threat as expeditiously as possible. I believe, however, that the statutorily mandated requirement to regulate specified listed contaminants seriously curtails the EPA Administrator's flexibility to determine which contaminants actually need to be regulated to protect the public health, and when.

The legislation also provides for the establishment of a new sole-source aquifer demonstration program and a new wellhead protection program that are not supported by the administration. When originally introduced, we observed that these new programs represented significant and unwarranted intrusions into local and State land-use control and water-use decisions. Although we certainly agree that ground water needs to be protected from major contaminants, we believe that States have the principal role in protecting this valuable resource, and that the EPA has sufficient statutory authority to assist the States where appropriate. In fact, the Federal Government can never hope adequately to protect the ground water resources of America without the major participation and indeed the leadership of State and local communities, and S. 124 reflects this important understanding.

The conference-approved version of these provisions represents significant improvement over the ground water provision contained in the original House bill. I am assured that the ground water grant program in S. 124 as enrolled cannot be used as an instrument to create a new Federal regulatory program. In fact, the only sanction ap-

plied to States that fail to develop an approved ground water program would be the loss of their Federal grant money for running the program. Neither can the bill's provisions establish a major Federal presence in highly sensitive local land-use decisions that could affect ground water. I read the bill as not authorizing direct and detailed Federal intervention in State planning and control of land use, and I hereby direct the EPA to recognize to the fullest extent the primacy of State Governments in decisions affecting ground water in the implementation of this act.

Further, there are certain enforcement provisions that I believe are of questionable validity. For example, the bill uses language

that suggests that some enforcement actions are mandatory. The principle of prosecutorial discretion is an essential ingredient in the execution of the laws. I believe that the Congress cannot bind the Executive in advance and remove all prosecutorial discretion without infringing on the powers of the Executive. It is unrealistic to expect that the EPA will ever have the resources or the need to take formal enforcement action against each and every violation of the act, without regard to how trivial the violation or unfair an enforcement action would be.

*Note: S. 124, approved June 19, was assigned Public Law No. 99-339.*

## **Nomination of Arnold I. Burns To Be Deputy Attorney General** **June 19, 1986**

The President today announced his intention to nominate Arnold I. Burns to be Deputy Attorney General, Department of Justice. He would succeed D. Lowell Jensen.

Since January of this year Mr. Burns has been an Associate Attorney General, U.S. Department of Justice. Previously, he was a managing partner with the law firm of

Burns, Summit, Roving & Feldesman in New York City, 1960-1985; and he was in the U.S. Army, Judge Advocate General's Corps, 1953-1957.

Mr. Burns graduated from Union College (A.B., 1950) and Cornell Law School (J.D., 1953). He is married, has two children, and resides in Washington, DC. Mr. Burns was born April 14, 1930, in Brooklyn, NY.

## **Nomination of Mary F. Wieseman To Be Special Counsel of the Merit Systems Protection Board** **June 19, 1986**

The President today announced his intention to nominate Mary F. Wieseman to be Special Counsel of the Merit Systems Protection Board for a term of 5 years. She would succeed K. William O'Connor.

Since May 1983 Mrs. Wieseman has been Inspector General, Small Business Administration. Previously, she was a partner in the law firm of Wieseman, Wieseman & Gallagher, in Washington, DC, 1975-1983; Acting General Counsel, U.S. Legal Services Corporation, 1982-1983; attorney, Public

Health Division, Office of General Counsel, U.S. Department of Health, Education, and Welfare, 1975-1976; consultant, Courts Division, National Institute of Law Enforcement and Criminal Justice, U.S. Law Enforcement Assistance Administration, 1974; attorney in private practice of law, 1972-1974; legal counsel to Saint Elizabeths Hospital, 1971-1972; Assistant United States Attorney in the District of Columbia, 1968-1971; and attorney, general claims section, Civil Division, United States Department of

Justice.

Mrs. Wieseman graduated from Catholic University (B.A., 1964; LL.B., 1967). She is

married, has two children, and resides in Rockville, MD. Mrs. Wieseman was born September 14, 1942, in Washington, DC.

## **Appointment of Four Members of the President's Committee on the National Medal of Science**

*June 19, 1986*

The President today announced his intention to appoint the following individuals to be members of the President's Committee on the National Medal of Science for terms expiring December 31, 1988:

*John D. Baldeschwieler*, of California. He would succeed Katherine S. Bao. Dr. Baldeschwieler is a professor of chemistry, California Institute of Technology, in Pasadena. He graduated from Cornell University (B.E., 1956) and the University of California at Berkeley (Ph.D., 1959). He is married, has three children, and was born November 14, 1933, in Elizabeth, NJ.

*Carl O. Bostrom*, of Maryland. He would succeed Ryal R. Poppa. Dr. Bostrom is director, Applied Physics Lab, Johns Hopkins University in Laurel, MD. He graduated from Franklin and Marshall College (B.S., 1956) and Yale University

(M.S., 1958; Ph.D., 1962). Dr. Bostrom is married, has three children, and was born August 18, 1920, in Port Jefferson, NY.

*Roland H. Carlson*, of Washington. He would succeed Allan Spitz. Mr. Carlson is new business growth and planning manager, ballistic systems division, Boeing Aerospace Co. in Seattle. He graduated from Michigan State University (B.S., 1951) and the University of Illinois (M.S., 1954). Mr. Carlson is married, has one child, and was born July 24, 1930, in Daggett, MI.

*Ronald H. Winston*, of New York. He would succeed Thomas B. Day. Mr. Winston is president and chairman of Harry Winston, Inc., in New York City. He graduated from Harvard University (B.A., 1963). Mr. Winston resides in Scarsdale, NY, and he was born January 10, 1941, in New York City.

## **Appointment of Donna S. Bates as a Delegate to the National White House Conference on Small Business**

*June 19, 1986*

The President today announced his intention to appoint Donna S. Bates to be a delegate to the National White House Conference on Small Business. This is a new position.

Ms. Bates is the president of Bates Corporate Communications, Inc., in Denver, CO. She graduated from the University of Colorado (B.S., 1970), and she was born in Oklahoma City, OK.

## **Proclamation 5502—National Agricultural Export Week, 1986**

*June 19, 1986*

*By the President of the United States of America*

### *A Proclamation*

The American farmer is the most produc-

tive in the world. Citizens from virtually every nation rely on our farmers for food and fiber for nourishment and for clothing. This Administration is firmly dedicated to developing, maintaining, and expanding

international markets for United States' agricultural exports.

Agriculture is the single largest export industry in the United States. Earnings from agricultural exports have contributed \$333 billion to the United States balance of payments in the past decade, and these earnings have stimulated additional employment and investment estimated at \$1 trillion.

The Congress, by Senate Joint Resolution 310, has designated the week of June 15, 1986, through June 21, 1986, as "National Agricultural Export Week," and has authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, Presi-*

dent of the United States of America, do hereby proclaim the week of June 15, 1986, through June 21, 1986, as National Agricultural Export Week, and I call upon the people of the United States to commemorate this week with appropriate ceremonies and activities.

*In Witness Whereof*, I have hereunto set my hand this 19th. day of June, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 3:53 p.m., June 19, 1986]*

## Proclamation 5503—National Interstate Highway Day, 1986 June 19, 1986

*By the President of the United States  
of America*

### *A Proclamation*

In June 1956, the Federal-Aid Highway Act of 1956 and the Highway Revenue Act of 1956 were enacted to provide for the construction and financing of the National Interstate and Defense Highway System. Nineteen hundred and eighty-six marks the 30th anniversary of the passage of this legislation.

During the last 30 years, the construction of the Interstate System has brought about tremendous change and progress in our society. As the world's largest and most successful transportation and public works project, it has enhanced travel and has helped join the Nation together to supply raw material, finished goods, food, and other essential products and services, and contributed to the national defense.

The Interstate System accounts for just over one percent of the total road mileage in the United States, yet it carries approximately 20 percent of the Nation's total traffic volume. Employing the most advanced

highway safety designs ever devised, the Interstate System is one of the Nation's safest modes of transportation.

The Congress, by House Joint Resolution 636, has designated June 26, 1986, as "National Interstate Highway Day" and has authorized and requested the President to issue a proclamation in observance of this day.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim June 26, 1986, as National Interstate Highway Day, and I call upon the people of the United States to observe that day with appropriate ceremonies and activities.*

*In Witness Whereof*, I have hereunto set my hand this nineteenth day of June, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 3:54 p.m., June 19, 1986]*

## Remarks at the High School Commencement Exercises in Glassboro, New Jersey

June 19, 1986

Governor Kean, President Beach, Mr. Mayor, Superintendent Mitcho, Principal Holland, ladies and gentlemen, and especially you the Glassboro High School class of 1986, thanks for the greeting, but I know why you're so enthusiastic. You probably heard about my earlier Hollywood connections and think I might be able to introduce you to Tom Cruise or Michael J. Fox. [Laughter]

You know, your principal, Mr. Holland, showed me your American history book, and I was startled to see that it took almost 400 pages to tell the story of our nation. When I was your age, it only took two stone tablets. [Laughter] But there are advantages to being President. The day after I was elected, I had my high school grades classified top secret. [Laughter] By the way, I understand this is the biggest crowd, here in the gym, since the last time the Bulldog basketball team played a home game. [Laughter] Am I correct in thinking there may be one or two Bulldog fans here today? [Applause] I was looking at those championship banners back there.

Seriously, it is an honor to join you today for this commencement ceremony, an event that marks your coming of age and means so much to you and your families. And I know you want to join me in congratulating your principal, Roy Holland, on 11 years of outstanding service. [Applause]

But what I have to say today I've come to say to you, the students of Glassboro High School, who are about to graduate. Mothers and fathers, families and friends, you have our permission to eavesdrop, but you must understand that this is between us, one who has seen more than seven decades of American life and the bright young people seated before him, who have not yet seen all of two. Glassboro High School class of 1986, if we had time today, I might talk with you about good citizenship, all that we've been trying to achieve in Washington, or even the things I think we both enjoy, things like football games and going to the beach.

It's hard for you to believe that grown-ups, parents, et cetera, can understand how you feel and what it's like to be your age. When you get to be parents yourselves, you'll be surprised how clear your memories will be of these days at Glassboro High. You'll remember how you felt about things, about successes, and, yes, disappointments. You'll discover as you get older that certain things are so much a part of your life that you'll remember them always, and high school, I assure you, is one. But as I was saying, it's in the very nature of time that it runs on more quickly than any of us would wish, and I must compress all that I want to say into a few brief and fleeting minutes. Now, perhaps that in itself represents one of the lessons that I can impart: the preciousness of each moment. And if you're ever a commencement speaker, try to keep in mind the importance of brevity in a speech.

You know every generation is critical of the generation that preceded it and feels it must discard many of the mores and customs of those who had gone before. Our generation felt that way, and so will yours. But in casting aside the old, don't throw out those values that have been tested by time just because they're old. They're old because their value has been proven by many generations over the years and, yes, the centuries. Now, I know that in recent days you've been bidding farewell to your teachers and friends, and I wonder whether you've noticed as you've done so that this time of year tends to bring out some old and familiar phrases—phrases like, “The future belongs to you,” and, “You are the hope of tomorrow.” I must tell you that each of these phrases speaks deep truths. You are the future. Oh, the phrases may sometimes sound worn, perhaps because you've already heard them so many times. And they can seem inadequate to your parents and me because we want to tell you all that we have learned.

We want to paint for you our own experi-

ence so vividly that you'll be able to avoid our heartaches while you double and redouble your joys. And then we find we have nothing at our disposal but words, weak and feeble instruments that cannot possibly carry the full freight of our meaning. Still, we must try. Every modicum of knowledge that can be truly and rightly transmitted from one generation to the next can prove invaluable. So it is that I want to speak to you about this nation of which you'll so soon become the leaders, in particular about those qualities of our national life that we Americans have always cherished in our own country and hoped to extend to all the world: freedom and peace. Perhaps you could think of our talk on this matter as writing a high school essay, an essay on peace, one last assignment before we let you go.

English teachers sometimes suggest opening essays vividly, with a dramatic scene or story that helps to set the tone. Well, it so happens that you and I have just such a dramatic story at hand. For 19 years ago, the very year before most of you were born, Glassboro received a visit from the President of the United States. In June of 1967 President Johnson flew from the White House to Glassboro—just as I've done today—to hold a summit meeting with Soviet Premier Kosygin. The meeting was scheduled to last 1 day, but the two men talked for more than 5 hours, then held a second meeting 2 days later. If you were to research the meeting in your school library, you would find that the U.S. News wrote that "Among the problems they discussed were some of the world's biggest: Vietnam, the Middle East, and the proliferation of nuclear weapons."

Well, today historians have concluded that the Glassboro summit was not, in fact, one of the most momentous. No major breakthroughs were made or agreements reached. Nevertheless, the two men met. They were frank. They worked to understand each other and to make themselves understood. In this alone, I would submit, they taught us a great deal. Let us then remain mindful of that Glassboro summit of 19 years ago. And let us remember that as we look back upon the Glassboro summit, others—perhaps 19 years in the future—will

look back upon us. It's my fervent hope that they will say we worked to break the patterns of history that all too often resulted in war, that we reached for accord, that we reached for peace.

Hope finds its expression in hard work. So, let us move on to the body of our essay and the tasks of analysis and organization. Let us begin by considering our attitude toward our country and ourselves. Certainly the American story represents one of the great epics of human history. Yet ours is a story of goodness as well as of greatness. After World War II our goodness received a dramatic manifestation in the Marshall plan—the vast program of assistance to help war-ravaged nations recover from World War II. And we can be proud that we helped restore not only our allies but those who had been our enemies as well. Pope Pius XII said of us at that time: "The American people have a genius for splendid and unselfish action, and into the hands of America, God has placed the destinies of an afflicted humanity." And in our own times, the United States continues to bear the burdens of defending freedom around the world. Listen to the words of former Prime Minister of Australia John Gorton: "I wonder if anybody has thought what the situation of comparatively small nations would be if there were not in existence the United States, if there were not this great, giant country prepared to make those sacrifices."

Do we have faults? Of course. But we have as well the courage and determination to correct them. Consider the darkest blot upon our history: racial discrimination. We fought the Civil War and passed the 13th and 14th amendments to bring slavery to an end. But discrimination still made itself felt. But so did the American sense of decency, and this ultimately gave rise to the civil rights movement. Sweeping legislation was passed to ensure that all Americans, regardless of race or background, would be able to participate fully in the life of the Nation. Today bigotry has been beaten down, but not yet totally destroyed. It falls now to you to carry on the battle. So, fight racism; fight anti-Semitism; fight in all its variations the bigotry and intolerance that

we Americans have worked so hard to root out. I make much of all we've done to combat discrimination in our country because it seems to me of central importance to our essay on peace. Here in this green and gentle land people of all nations, people of all races and faiths, have learned to live in harmony to build one nation.

Nor is the story over. Listen indeed to this roll of some of your schoolmates: born in India, Sajad and Khatija Bilgrami; born in China, Wun Ting Geng; born in Japan, Tomoko Sasaki; and born in Laos, Bounmy Chomma and Rasami Sengvoravong and Sisouva Phatsodavong. If ever in coming years you grow disillusioned with your nation, if ever you doubt that America holds a special place in all the long history of humankind, remember this moment and these names that I've just read, and then you'll understand. You'll find new strength. And then you know how it is that we Americans can look to all the other peoples of this planet with self-confidence and generous friendship. Call it mysticism if you will; I have always believed there was some divine plan that placed this great land between the two oceans to be found by people from every corner of the Earth—those people who had in common that extra love of freedom and that extra ounce of courage that would enable them to pack up, leave their friends and relatives and homeland to seek their future in this blessed place.

And that brings me to the international scene and our relations with the Soviet Union. It's important to begin by distinguishing between the peoples inside the Soviet Union and the government that rules them. Certainly we have no quarrel with the peoples, far from it. Yet we must remember the peoples in the Soviet Union have virtually no influence on their government. There's a little story that indicates what I mean. It seems that an American and a Soviet citizen were having a discussion about who had more freedom. And the American said, "Look, I can march into the White House, the Oval Office, and I can pound the desk and say to the President, 'Mr. President, I don't like the way you're running our country.'" And the Soviet citizen said, "Well, I can do that." And the

American said, "You can?" He said, "Yes, I can walk into the Kremlin, into the General Secretary Gorbachev's office, and I can say, 'Mr. General Secretary, I don't like the way President Reagan's running his country.'" [Laughter] Well, you know, I told that story to General Secretary Gorbachev in Geneva. And thank goodness he laughed, too. [Laughter]

We must remember that the Soviet Government is based upon and drawn from the Soviet Communist Party—an organization that remains formally pledged to subjecting the world to Communist domination. This is not the time to delve deeply into history, but you should know that the emergence of the Soviet Union is in many respects an expression of the terrible enchantment with the power of the state that became so prominent in the first half of our century. In his widely acclaimed book, "Modern Times," Paul Johnson has argued just this point: that modern ideologies had exalted the state above the individual.

This rise of state power affected my life as it did the lives of many of your parents and nearly all of your grandparents. In the late 1920's I graduated from high school full of hope and expectation, like you today. Then just as I'd established myself in a career, and just as my generation had established itself, we were at war. We fought valiantly and well, but not without a sense of all that might have been. In the end representative government defeated statism. Indeed, Japan, Germany, and Italy, once our deadly enemies, all soon became thriving democracies themselves and are now our staunchest allies. But not the Soviet Union; there statism persists.

You know, there's something you should be very proud of and aware of. Back through the history of man there have been revolutions many times. Ours was unique. Ours was the only revolution that said, we, the people, control the government. The government is our servant. Those other revolutions just exchanged one set of rulers for another set of rulers. Well, what then are we to make of the Soviet Union? My own views upon the character of the regime are well known. And I am convinced that we must continue to speak out for freedom,



again and again, making the crucial moral distinctions between democracy and totalitarianism. So, too, I am convinced that we must take seriously the Soviet history of expansionism and provide an effective counter.

At the same time, we must remain realistic about and committed to arms control. It is indeed fitting to pay particular attention to arms negotiations in these days, for if the Soviet Union proves willing, this can represent a moment of opportunity in relations between our nations. When I met Mr. Gorbachev last November in Geneva, he and I agreed to intensify our effort to reduce strategic arms. We agreed on the next steps: negotiating a 50-percent reduction in strategic nuclear forces and an interim agreement to cover intermediate-range missiles. And we both spoke of the ultimate goal of eliminating all nuclear weapons.

By November 1st we had presented new strategic arms reduction proposals designed to bridge the gap between earlier Soviet and American proposals. Our proposal would've achieved a 50-percent reduction in strategic nuclear forces in a manner both equitable and responsible. Then in mid-February we proposed a detailed, phased approach for eliminating an entire class of weapons—the so-called longer range intermediate-range weapons, or INF's—by 1990. And we repeated our offer of an "open laboratories" exchange of visits to facilities performing strategic defense research. Until recently the Soviet response has been disappointing in a number of ways. But in recent weeks, there have been fresh developments. The Soviets have made suggestions on a range of issues, from nuclear power-plant safety to conventional force reductions in Europe. Perhaps most important, the Soviet negotiators at Geneva have placed on the table new proposals to reduce nuclear weapons. Now, we cannot accept these particular proposals without some change, but it appears that the Soviets have begun to make a serious effort.

If both sides genuinely want progress, then this could represent a turning point in the effort to make ours a safer and more peaceful world. We believe that possibly an atmosphere does exist that will allow for serious discussion. I have indicated to Gen-

eral Secretary Gorbachev my willingness for our representatives to meet to prepare for the next summit. The location is unimportant. What matters is that such a meeting take place in mutual earnestness so that we can make progress at the next summit.

Certainly Mr. Gorbachev knows the depth of my commitment to peace. Indeed, when we went to Geneva my advisers told me that if we could achieve nothing more than an agreement to meet again, if we could do no more than that, then all our work at that summit would have been worthwhile. Well, on the first day of meetings, Mr. Gorbachev and I took a little walk together alone. He happened to mention that there was a great deal in the Soviet Union that he wanted me to see, and I answered that I wished that he could visit the United States. Next thing you knew, we had an agreement to meet here in 1986 and in the Soviet Union in 1987. Now, that wasn't so hard, was it?

In this essay on peace, then, we can assert that the time has come to move forward. Let us leave behind efforts to seek only limits to the increase of nuclear arms and seek instead actual arms reductions—the deep and verifiable reductions that Mr. Gorbachev and I have agreed to negotiate. The goal here is not complicated. I am suggesting that we agree not on how many new, bigger, and more accurate missiles can be built, but on how to reduce and ultimately eliminate all nuclear missiles.

Let us leave behind, too, the defense policy of mutual assured destruction, or MAD, as it's called, and seek to put in its place a defense that truly defends. You know—let me interrupt right here and say that possibly you haven't considered much about this system. This MAD policy, as it's called—and incidentally, MAD stands for mutual assured destruction, but MAD is also a description of what the policy is. It means that if we each keep enough weapons that we can destroy each other, then maybe we'll both have enough sense not to shoot those weapons off. Well, that's not exactly the way for the world to go on, with these massed terribly destructive weapons aimed at each other and the possibility that some day a madman somewhere may push a

button and the next day the world starts to explode. Even now we're performing research as part of our Strategic Defense Initiative that might one day enable us to put in space a shield that missiles could not penetrate, a shield that could protect us from nuclear missiles just as a roof protects a family from rain.

And let us leave behind suspicion between our peoples and replace it with understanding. As a result of the cultural exchange agreement Mr. Gorbachev and I signed in Geneva, the Soviet Union has already sent to our nation, just recently, the Kirov Ballet and an exhibition of impressionist paintings. We in turn will send to the Soviet Union scholars and musicians. Indeed, the Russian-born American pianist Vladimir Horowitz has already performed in Moscow. And we hope to see a large increase in the number of everyday citizens traveling between both countries. Just last week at the White House I met with high school students your age who will visit the Soviet Union this summer. Surely it's in our interest that the peoples in the Soviet Union should know the truth about the United States. And surely it can only enrich our lives to learn more about them. As a matter of fact, I believe with all my heart that if a generation of young people throughout the world could get to know each other, they would never make war upon each other.

This brings us at last to our conclusion. If I may, then, a few final thoughts, from the heart. I have tried to speak to you today of peace and freedom. As your President it's my duty to do so, and because in my lifetime I have seen our nation at war four times. During the Second World War, hundreds of thousands of Americans died, including friends and relatives of mine and including friends and relatives of your families. Perhaps some of you have pictures in your homes of great-uncles you never knew, soldiers who fell fighting. The Soviets suffered even more painfully than we. As many as 20 million people in the Soviet Union died in World War II, and the western third of their country was laid waste—parallel, if you will, to what would be the destruction of all the United States east of Chicago.

All the world has cherished the years of relative peace that have followed. In the United States we have seen the greatest economic expansion and technological breakthroughs known to man—the landing on the Moon, the development of the microchip. But our greatest treasure has been that you, our children, have been able to grow up in prosperity and freedom. It falls to us now—as it soon shall fall to you—to preserve and strengthen the peace. Surely no man can have a greater goal than that of protecting the next generation against the destruction and pain of warfare that his own generation has known. There can, therefore, be no more important task before us than that of reducing nuclear weapons. I am committed—utterly committed—to pursuing every opportunity to discuss and explore ways to achieve real and verifiable arms reductions. What our two nations do now in arms control will determine the kind of future that you and, yes, your children and your children's children will face.

So, I have come here today to say that the Glassboro summit was not enough, that indeed the Geneva summit was not enough, that talk alone, in short, is not enough. I've come here to invite Mr. Gorbachev to join me in taking action—action in the name of peace. My friends, let us dare to dream that when you return for your own son or daughter's graduation, you'll do so in a world at peace, a world that celebrates human liberty, and a world free from the terror of nuclear destruction. And let us work—first my generation, then soon, very soon, your own—to make that dream come true.

But here again, mere words convey so little. There are moments, indeed, when those of my generation fear that your youth and health and good fortune will prove too much for us—too much for us who must tell you that good fortune is not all that life can present, that this good fortune has come to you because others have suffered and sacrificed, that to preserve it there will come times when you, too, must sacrifice. Then our fears are dispelled. It happens when we turn from our own thoughts to look at you. We see such strength and hope, such buoy-

ancy, such good will, such straightforward and uncomplicated happiness. And if we listen, before long we hear joyful laughter. And we know then that God has already blessed you and that America has already imprinted the love of peace and freedom on your hearts. We look at you, and no matter how full our own lives have been, we say with Thomas Jefferson, "I like the dreams of the future better than the history of the past."

Congratulations, class of 1986, and God bless all of you.

*Note: The President spoke at 5:30 p.m. in the high school gymnasium. In his opening remarks, he referred to Gov. Thomas Kean; George Beach, Jr., president, Glassboro School Board; William L. Dalton, mayor; Nicholas Mitcho, school superintendent; and Ralph Holland, principal of the high school.*

## Remarks Following the High School Commencement Exercises in Glassboro, New Jersey

June 19, 1986

*The President.* Thank all of you, but I want you to know that I am a great admirer of your good Governor, Governor Kean. So, a good afternoon and thank you to all of you. I can't tell you how honored I am that so many of you would come out here to say hello. And just let me say how grateful I am for you making me feel so much at home.

It's been so long since I've seen so many signs. I guess my favorite was the one I saw on the way in that read, "I Flip for Jelly Beans." Then there was a photo that appeared the other day in the Gloucester County Times, and it showed five fellows in high school with a message painted on their chests. The first fellow's chest had the letter "I," the second had a heart, and the rest had the letters "R-O-N"—"I love Ron." Well, after seeing that, I peeled down a little bit and started trying to paint "I love Glassboro" on my own chest, but there wasn't room. *[Laughter]*

By the way, I thought you'd like to know that my pilot, Captain Jack Suter—he was raised just down the road in Gibbstown. *[Applause]* And it means a lot to Jack to be here today, and I wonder—well, you've already done it—I was going to ask you to give him a cheer so that he could hear it over there in the helicopter.

I've been told that you all listened to my remarks that I made inside, and I don't want to keep you for another speech, especially since I know that some of you have

been here since 3:30 p.m. And, besides, Jack Suter has his kids to get home to. Come to think of it, Nancy told me as I was leaving this afternoon not to be late for dinner. *[Laughter]*

*Q.* Keep up the good work, Ron!

*The President.* Thank you. Give me an audience like this and I just can't resist the temptation to say a few words. Flying over your town today and speaking to those young people who grew up among you and being here with you, it is—all been a lesson in the great and essential goodness of our nation. Just think of the 300-year history of Gloucester County: first came the Dutch, and then the Swedes, then the English Quakers who were seeking religious liberty. And each, in turn, found here a gentle and fertile country—a place here where, with hard work, the earth could be persuaded to treat man kindly. And today southern New Jersey is home to all of you, people of every background imaginable—Irishmen and Italians, blacks and whites, Christians and Jews, all living in peace, living in prosperity, and, yes, living in freedom.

Now, I may be a few days late, but permit me to say it anyway: Happy birthday, Gloucester County! And I'm especially touched to have so many families here today. As I look out I can see some little ones sitting on, probably, their fathers' shoulders, and I can see some that aren't so little that are sitting on someone's shoul-

ders, too. But certainly, it was their hopes for their children that brought our ancestors to America—the love they felt in their families that sustained them in building our nation. And today our families give us strength still. And I have a feeling that Glassboro is a good place, a happy place for you and your families.

On the way in I saw your neighborhoods and your churches and schools, your baseball diamonds and swimming pools and football fields. And, you know, it really moved me and gave me heart. It put me in touch with America. But sometimes you can lose touch with—when you're down there on the banks of the Potomac—and all the basic values that we're working so hard in Washington to defend. It even kind of re-

minded me of a town of about 10,000 in Dixon, Illinois, where I grew up. I guess what I'm trying to say is that Glassboro gave me a gift today and for that, my friends, I thank you from the bottom of my heart.

Well, I got to get Jack Suter back home, so I best we—guess we better get going. But thank you again, and, believe me, I will always remember the good people of Glassboro. Thank you, and God bless you.

*Note: The President spoke at 6:26 p.m. at the high school. Following his remarks, the President returned to Washington, DC. A tape was not available for verification of the content of these remarks.*

## Written Responses to Questions on Central America Submitted by Radio Marti

June 9, 1986

### *Aid to the Nicaraguan Contras*

*Q.* Mr. President, the Cuban Government says that the United States is conducting imperialist aggression against the legitimate government of Nicaragua. What is your reaction to this charge?

*The President.* Well, if I were not as used to the extravagant claims of Cuban propaganda as I am, I would be outraged by such a charge. First of all, there are no U.S. forces in Nicaragua, but there are several thousand Cubans there. So, it makes you wonder who might be the real imperialists; that's not even to mention the Soviets or the Bulgarians or the Czechs or the East Germans or the Vietnamese or the North Koreans or the PLO or the Libyans or the Iranians. Does anyone really believe that these people are in Nicaragua to help them harvest their coffee crop?

What we are doing is supporting democracy in Nicaragua and all the people who seek to build it. They're the real revolutionaries. They joined the popular effort to overthrow Somoza, but then they saw their democratic revolution betrayed. What we're witnessing is very much a repetition

of the betrayal of the Cuban revolution by the Communists. In each case the reins of power were seized by a well-organized, disciplined minority of Communists who liquidated the genuine democrats.

They do not rule by the people's consent. They are militarizing and regimenting Nicaraguan society because they fear the power of the real democratic revolution, still very much alive. The people are joining a spontaneous uprising against the Sandinistas, an uprising which today has more than twice as many guerrillas as did the Sandinista movement when it was fighting Somoza. The Nicaraguan democrats have organized themselves into an effective movement. All they need is enough material support to compete with the vast quantities of arms supplied to the Sandinistas by Cuba and the Soviet bloc. By the way, they should not be called Sandinistas—they've stolen the name of a true national leader who, in fact, rejected communism. What they really are, in truth, are Stalinistas because their revolution is a Stalinist one.

*Q.* Why do you disagree with some Members of Congress who are urging you to

delay any further aid to the Nicaraguan resistance and to seek a solution through negotiations?

*The President.* In the first place, there's no truce in the fighting because the Communist regime feels that it can achieve its objectives without peaceful negotiations with the democratic opposition and by delaying negotiations with its Central American neighbors. It should be clear to everyone that the Sandinista strategy is to delay. The longer they can drag out negotiations, the easier it is for them to destroy the democratic forces while Congress waits to see if a peace treaty is just around the corner. But with each day of delay, the Communists are attacking and killing freedom fighters while we deny them the means even to defend themselves.

Since the March 19th vote in Congress denying aid to the resistance, the Sandinistas have used the delay to move to consolidate their totalitarian control over society. They have increased their militarization of the country, invaded Honduras, and launched an unprovoked attack on a number of Miskito Indian villages. That attack triggered a panic that led to an exodus of 11,800 villagers to Honduras. The regime has forced thousands of small businessmen to shut down. And the persecution of the church continues every day. Didn't Cardinal Obando y Bravo just say that the Communists were suffocating the church? Unless we help those who are resisting these crimes against the Nicaraguan people, we will share responsibility for the increasing toll of human suffering. Any further delay by us just plays into the hands of the Communists and their stalling tactics.

We have never shied away from negotiations as a solution, but we would want them to result in a real democracy in Nicaragua in which all sectors of the Nicaraguan society are really free to participate. We have always supported a dialog of reconciliation and believe that this is the answer. President Duarte has taken the courageous step of reopening talks with the armed and unarmed opposition in his country—why can't the Sandinistas? Are they afraid that these talks would lead to the real, democratic outcome we all hope to achieve? Are they worried that they would result in real arms

reductions and the elimination of their Soviet, Cuban, and other Soviet-bloc advisers?

### *Grenada*

*Q.* Two years ago American and east Caribbean forces liberated Grenada from a Cuban-backed Communist government. What have been the long-range results of this precedent-setting joint military action?

*The President.* For one, the discoveries we made in Grenada itself were an eye-opener. We knew of the violence in Grenada and of that island's growing ties with Cuba, the Soviet Union, and the international Communist movement. But it wasn't until our boys went down to rescue the American students there that we realized how bad things had become for the Grenadian people. Their country had been turned into a base for Soviet-Cuban expansionism in our hemisphere. And while constructing this garrison state, the Communists were destroying everything that benefited the people: the consumer economy, basic individual freedoms and rights, schools and even churches. Everything was politicized. You couldn't do anything or go anywhere without being surrounded by Marxist-Leninist ideology.

The experience of the Grenadian people—descending into communism and then emerging to breathe freely again—is the unique feature of events on that island. Never before has an entire country made that journey. Individuals who successfully escaped communism have, but never a country. What a wonderful sight it is to see the exhilaration of people who have regained their freedom; to see people thrill once again at the chance of choosing their own leaders through free elections.

But there's still more significance in this episode. It was the first time in history that a Communist regime, having consolidated totalitarian control, was replaced by a democracy. The world has now seen the proof—the old idea that communism is irreversible is itself being reversed. Communism is not the wave of the future. The future belongs to those people who are free to choose their own destiny. That's why we believe that democracy has the brightest

future of all.

### *Cuban Role in Regional Conflicts*

*Q.* Mr. President, before your Geneva summit with Soviet General Secretary Mikhail Gorbachev, you delivered a major speech at the United Nations in which you referred to five regional conflicts which were of major concern to the United States. Cuba is militarily involved in three of them: Angola, Ethiopia, and Nicaragua. Do you believe that your general policy of supporting the forces of freedom in these conflicts increased the danger of conflict between the United States and Cuba?

*The President.* No, I don't. The real conflict going on in each of those countries is between the Communist dictatorship and free people fighting to regain liberty for their entire country. None of these dictatorships could stand on their own without the massive intervention of Cuban troops and advisers sent as mercenaries for the Soviet Union. This intervention has placed innocent Cuban soldiers in the midst of other people's battles, and their lives are at great risk.

The United States would like to see these battles come to an end as quickly as possible, with freedom replacing dictatorship. That's why we support freedom fighters in each of these countries; indeed, in all countries. But we have no intention to get involved directly in any of these conflicts ourselves.

Today the freedom movements in Nicaragua and Angola are so strong that, if it weren't for the intervention of Cuban and other foreign forces, they could win all by themselves. Innocent Cuban soldiers are in a trap, and many may have to give their lives if they are forced by their government to stand in the way of these freedom movements. We deeply regret that Cuban families may suffer because their government insists on waging war in faraway lands.

### *Cuba-U.S. Relations*

*Q.* Since January 1961 the United States has not maintained diplomatic relations with Cuba. Throughout this period, the Cuban Government has pursued a policy of hostility toward the United States and has kept the Cuban populace in a military state

of preparedness under the supposed threat of U.S. military intervention. Do the Cuban people have anything to fear from the United States?

*The President.* To the contrary. I would hope that the Cuban people would look at the United States as their friend and moral supporter. Unfortunately, they have been subjected to all sorts of propaganda about the supposedly aggressive intentions of the United States. In particular, the Cuban Government has used propaganda to blame my administration for the frequent defense mobilizations in Cuba and for the increasing militarization of Cuban society. But these mobilizations began before I was even nominated to be President. And they're nothing but false alarms. The Cuban Government is using the so-called American threat as an excuse to maintain its de facto martial law. So long as it has such an excuse, it can maintain a military-style system of authority that reaches into every household in Cuba. This, I suspect, is the way that the Government keeps control over the force that it fears most of all: the free will of the Cuban people themselves. The Government fears a free election. It knows that never in history has the full majority of a free electorate elected a Communist Party to power in any major nation.

*Q.* Mr. President, what conditions do you think are necessary to improve relations between the United States and Cuba?

*The President.* America's relations with Cuba will improve on the day that Cuba stops exporting violence, stops exporting terror, and stops facilitating the trafficking of drugs. These conditions are simple. The Cuban Government must begin to respect the rules of international life. It must, in effect, start to live by the Golden Rule: "Do unto others as you would have them do unto you."

At the time of the Cuban missile crisis, President Kennedy stated that there would be peace in the hemisphere if the nuclear missiles were removed and Cuba stopped exporting revolution. The Soviets removed the missiles, but Cuba never did stop its subversive activities in the region. And these activities were not just a problem for the United States. They were a threat to

countries throughout Latin America. That's why the Organization of American States expelled Cuba. Cuba still isn't a member, and it won't be until it begins to behave like a good neighbor. Likewise, there cannot be good relations between the United States and Cuba until Cuba remembers the Golden Rule.

Imagine if we did to Cuba what it does to us and its other neighbors. Many Cuban parents would be heartsick over their children destroying their own lives with addictive drugs. Cuban towns would actually live in fear of attack by well-armed guerrillas. We do not want these things for the Cuban people. And so, we do not do these things to Cuba. Why does the Cuban Government do such things to its neighbors?

*Q.* When Radio Marti broadcasts began 1 year ago, the Cuban Government unilaterally suspended an immigration agreement with the United States and curtailed exile visits to the island. Critics have charged that the decision to establish Radio Marti is keeping Cuban families apart. Do you feel that broadcasting by Radio Marti prevents the reunification of Cuban families?

*The President.* No, I don't think so. It is the sincere wish of the United States to see Cuban families reunited. This was one of the key points in the U.S.-Cuban immigration agreement. But that agreement was suspended by the Cuban Government when Radio Marti went on the air. It was not Radio Marti that suspended reunification, it was the arbitrary decision of the Cuban Government, made with an eye to getting us to stop broadcasting the truth about Cuba.

In fact, we've learned many times from Communist refugees about the problem of whether to keep silent about Communist human rights violations in the hope that these regimes will release people and reunite families. We've learned that if we're silent, the Communists would have a perpetual lever to enforce this silence—they could always hold people hostage to prevent the truth about the regime from being told. We can never accept such a situation. The truth as an instrument for the protection of human rights is too precious for us ever to relinquish it.

*Q.* What role can the free flow of infor-

mation, especially international radio broadcasting, play in developing mutual understanding between the United States and the Cuban people?

*The President.* We, in America, believe the free flow of information and ideas is one of the most important rights that a people can enjoy. And if people know the truth, if they can learn the facts of a situation, their common sense will help them reach good decisions on how to run their lives. Truth is indispensable to a free society. Where people cannot know the truth, a ruler can manipulate them into taking actions that they otherwise would not take on their own.

Thus, the absence of truth can damage the prospects for peace. If the Cuban people learn the truth about the United States, they will see that we are their friends and not their enemies. They will see that we are interested in peace and not war and prosperity for all and not poverty. This can only increase mutual understanding, which can only advance the cause of real peace. Radio Marti will help the Cuban people know the truth. It provides information being denied them by the Government. It was specifically for this reason that the radio bears the name of José Martí, one of the great champions of freedom of expression throughout the Americas.

Radio Marti has another purpose as well: to help the Cuban people communicate with each other. So long as the Government maintains a monopoly of information and total control over all the means of communication, the society will be fragmented and atomized. When people cannot communicate with each other, they find it hard to trust each other. So long as people are split apart and live in fear and mistrust, they can be easily dominated and manipulated. Radio Marti can help the Cuban people avoid such a trap. It can serve as a transmission belt of ideas and information for the Cuban people themselves.

*Q.* The United States has committed itself to helping the Nicaraguan people realize their dream of democracy. But what can it do to help the Cuban people achieve the same dream?

*The President.* That's a difficult question.

We want very much to see democracy in a free Cuba. A democratic Cuba would be a country at peace with itself and at peace with its neighbors. Democracies do not wage war on their neighbors. Democracies are always more peacefully inclined than totalitarian dictatorships because the people can restrain the excesses of their leaders. But however strong and deep our affinity for the Cuban people, we cannot solve their problems. What we can do is offer the Cuban people a beacon of hope by standing up for ideals we cherish: freedom, unconditional individual human rights, and equal justice under law and by standing by your friends and allies in the world who share these ideals. We also have an obligation to resist those ideas and forces, such as communism, which encroach on democratic ideals and destroy democratic societies.

If we're successful in resisting Soviet and Cuban expansionism, which we have been, we can show the world that communism can be resisted. And if the people living under communism can see this, they will know that there is hope. And if people have hope, then they can avoid becoming demoralized and paralyzed. They can learn that the future can be in their own hands, that it hasn't been completely taken away from them.

*Q.* Would you like to send a personal message to our listeners in Cuba?

*The President.* Yes, I would. I would like you, the Cuban people, to know of America's deep and abiding respect for you and your contribution to Western civilization. There is a great number of your fellow Cubans in the United States whose hard work is making our country a better place. In fact, the city with the largest Cuban population outside Cuba is here in the United States—the city of Miami. Thousands of you have family members living here. Your rela-

tives are part of the heart and soul of our nation. It is my hope and prayer that the barriers separating you will someday be torn down.

That day will come when our relations with your country can be reestablished on the basis of the historic tradition, which has guided both nations. Americans fought for your independence, and Cuban battalions fought for our independence. One of George Washington's close friends was Juan de Miralles, a Cuban maritime businessman, who helped guarantee the credit notes for the purchase of arms and supplies for the American rebels. His wife, Dona Maria Josefa, and other Cuban women even sacrificed their jewelry to raise funds for American independence. It was this kind of devotion to the principles of our cause that won Miralles the highest regard of Washington, the father of our country.

I believe that the new day will come when U.S.-Cuban relations, based on the ideals of democracy, will be restored. The philosophical foundation of these relations already exists in the hearts of the Cuban people. We see them most dramatically expressed in the courage of the *plantados*, the men who will not sell their souls to gain greater creature comforts in the Cuban gulag. It is this principled devotion to the truth—not the so-called truth of the Communist Party but the real truth as revealed to man in his soul—that will be the source of that new day and a new era of peace between our nations. I hope and pray that this day will come soon.

God bless you.

*Note: The questions and answers were released by the Office of the Press Secretary on June 20. Radio Marti was broadcast by the United States Information Agency.*



## Proclamation 5504—National Safety in the Workplace Week, 1986 June 19, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Each year, workplace accidents kill over 11,000 Americans and injure an additional 1.9 million workers. These tragic accidents also cost American industry an estimated \$33.4 billion in annual losses.

Today's public and private sector employers and employees recognize the need to safeguard the working place so that all may enjoy a productive and healthy environment. National Safety in the Workplace Week, supported by the Occupational Safety and Health Administration of the United States Department of Labor, the American Society of Safety Engineers, and the Associated General Contractors, presents an opportunity for all Americans to reaffirm our dedication to the protection of the health and safety of American workers.

When it comes to workplace safety, OSHA's slogan—"Job Safety? You Bet Your Life!"—is more than a catchy phrase. It is a watchword for everyone to remember. Each employer and worker in this country is responsible for keeping America's work-sites safe and healthy, not during just one

week in June but each and every day of the year.

The Congress, by House Joint Resolution 131, has designated the week beginning June 15, 1986, as "National Safety in the Workplace Week" and authorized and requested the President to issue a proclamation in observance of this event.

Now, *Therefore, I, Ronald Reagan*, President of the United States of America, do hereby proclaim the week beginning June 15, 1986, as National Safety in the Workplace Week. I call upon all government agencies and the people of the United States to observe this week with appropriate programs, ceremonies, and activities.

*In Witness Whereof*, I have hereunto set my hand this nineteenth day of June, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 2:55 p.m., June 20, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on June 20.*

## Statement by Principal Deputy Press Secretary Speakes on the Coordinated Framework for the Regulation of Biotechnology June 20, 1986

President Reagan has approved for publication in the *Federal Register*, the Coordinated Framework for the Regulation of Biotechnology, a comprehensive regulatory policy for ensuring the safety of biotechnology research and products. Biotechnology is expected to become a major industrial force in the Nation's economy. Applications of biotechnological products for use in health care, agriculture, and the environment are developed through genetic engineering techniques. Current projects include vac-

cines and diagnostic tests for a host of animal and human diseases, creating crops that are insect or frost resistant or make their own fertilizer, and many others.

The United States is the world leader in biotechnology, owing to government-sponsored research, innovative private enterprise, and an appropriate regulatory climate. As the new biotechnology moves from research to commercial manufacture, this advantage is believed to provide a solid base for the U.S. industry and strengthened

U.S. competitiveness. To ensure a consistent Federal Government approach, the framework sets forth the basic policies and procedures of the several agencies that have jurisdiction over the different types of products that biotechnology may produce. The framework balances concerns for health and the environment. It designates categories of engineered organisms that are believed to pose risks of sufficient concern to merit Federal regulation, and it expedites review for others of less concern. The framework requires Federal agencies to review the application in the environment of living microorganisms, such as microbial pesticides.

Implementation of the policy is expected to reduce concerns about overlapping reviews by several agencies. The framework identifies lead agencies responsible for particular classes of products or research categories. Included are: the regulatory and/or research policies of the Food and Drug Administration, the Environmental Protection

Agency, the Department of Agriculture, the Occupational Safety and Health Administration, the National Institutes of Health, and the National Science Foundation.

The framework is a refinement of a proposal published in December 1984. Upon analysis of public comments, the framework was reformulated with special attention to fostering a rational, integrated regulatory structure that is neither unduly burdensome nor carelessly incomplete. The framework emphasizes that this structure must evolve along with technological developments. Controls are adequate for the present, but they will be frequently monitored and improved. The framework is intended to ensure timely focus on emerging issues that need to be addressed. The framework provides a measure of regulatory certainty for industry. Implementation of the policies in the framework will allow U.S. industry to efficiently deal with commercialization and promote increased competitiveness internationally.

## **Appointment of Ralph L. Stanley as Executive Director of the National White House Conference on Small Business**

*June 20, 1986*

The President today announced his intention to appoint Ralph L. Stanley to be Executive Director of the National White House Conference on Small Business. He will continue to serve as Urban Mass Transportation Administrator, a position he has held since 1983. He would succeed Jack L. Courtemanche.

Previously, he was Chief of Staff, Office of the Secretary, Department of Transpor-

tation, 1983; assistant, White House Office of Communications, 1982; and associate in the Washington office of Bracewell and Patterson, a law firm based in Houston, TX.

Mr. Stanley graduated from Princeton University (B.A., 1974) and Georgetown University Law Center (J.D., 1979). He is married and resides in Alexandria, VA. Mr. Stanley was born September 13, 1951, in Teaneck, NJ.

## **Radio Address to the Nation on the Federal Judiciary**

*June 21, 1986*

*My fellow Americans:*

This week Chief Justice Warren Burger stepped down from the Supreme Court to devote his time fully to the upcoming bi-

centennial celebrations of our Constitution. It is fitting that Justice Burger's distinguished career of service to country and the law will be capped by honoring the legal

document that's the very foundation of our Republic. Today all America salutes Justice Burger and thanks him for his devotion to this country.

I have nominated Justice Rehnquist, whose distinguished service on the Court is also widely recognized, as the next Chief Justice. He's been a consistent model of fairness and an articulate spokesman for straightforward interpretations of the Constitution. And I've selected Judge Antonin Scalia, one of our most gifted legal minds, to fill the vacancy. Two men better qualified for their positions would be hard to find, and I hope the Senate will move quickly to confirm their nominations. Justice Rehnquist and Judge Scalia are representative of the high caliber of our Federal court appointments. I have considered it a primary duty to appoint men and women, such as Sandra Day O'Connor, of proven abilities and the finest character to the Federal courts. And I think we have a proud record to show for it.

In fact, during the campaigns of 1980 and '84, I spoke often of the distressing loss of faith by the American people in their criminal justice system. It seemed to many of us that the scales of justice had become seriously unbalanced, making it difficult to arrest criminals and harder and harder to convict them. Let me give you an example: Two narcotics agents in California had a warrant to search the home of a couple they suspected were pushing heroin. They didn't find anything at first, and were just about to give up, when one of the agents, on a hunch, went back to the baby's crib. There, stashed inside the baby's diapers, was the heroin. But in a hearing for possession, the judge threw the case out of court on the grounds that the baby's constitutional rights had been violated. So, on the crime issue and a whole host of other issues, we've sought to appoint judges who look at the law as something to be honored, respected, and interpreted according to legislative intent, not whim or ideology. One other basic principle guides us: We nominate only those with high qualifications.

Our selection for the Court of Appeals, Daniel A. Manion, is such a nominee. He has substantial litigation experience and a

reputation for integrity; even opponents from his days in the Indiana Senate attest to his character and ability. And the American Bar Association has declared him fully qualified to be a Federal judge. Nevertheless, partisanship in the Senate has pushed fair-play by the boards, which is why I've sent a letter to the Senate expressing my strong opinion about the prerogative of the President to make qualified appointments to the Federal judiciary and what I feel has been the partisan use of the confirmation process. Some are doing just about everything they can think of to prevent Daniel Manion's confirmation. Believe it or not, they've even tried to make a major issue of a few typographical errors in several of his briefs and the fact that he practices law in a small town.

Dan Manion is a fine lawyer. Father Theodore Hesburgh, the president of Notre Dame, where Dan Manion was an undergraduate, has strongly endorsed his nomination. I know him to be a person who has the ability and determination to become the kind of judge the American people want in the Federal courts; one who believes in the rule of law, who reveres the Constitution, and whose sense of fairness and justice is above reproach. Let's be honest. The real objection to Dan Manion is that he doesn't conform to the liberal ideology of some Senators. In fact, one Senator blurted out as much in the confirmation hearing. "I think you're a decent and honorable man," he said to Dan Manion, "but I do not think I can vote for you because of your political views." Well, I believe the Senate should consider only a nominee's qualifications and character, not his political views.

Now, I would welcome a national debate on those political views and how we're going to keep up the attack on this nation's crime problem. In the meantime, however, I intend to keep right on appointing tough, responsible judges to the courts. And I would hope that the Senate would get to work and confirm Daniel Manion to the U.S. Court of Appeals. It's the right thing to do. He's the kind of judge American people want, and I think they know it.

Until next week, thanks for listening. God bless you.

*Note: The President spoke at 12:06 p.m. from Camp David MD.*

## Proclamation 5505—National Save American Industry and Jobs Day, 1986

June 21, 1986

*By the President of the United States of America*

### *A Proclamation*

The manufacturing industries in the United States have been a major factor in creating a high standard of living for all Americans. These industries now generate and ship more than \$1 trillion of our annual gross national product.

Our manufacturing industries have done a magnificent job of meeting the needs of consumers and of the Nation and its allies, and they continue to do so. Those industries have demonstrated their ability to remain competitive in the emerging world marketplace.

American manufacturers are adapting to new economic circumstances by increasing their efficiency, their productivity, and their price-competitiveness. They have retained their share of the gross national product in a dynamic and changing national economy.

It is the policy of this Administration to ensure the right of all American industries to compete fairly in world markets by vigorously enforcing our trading rights worldwide. I am convinced that in an environment of free and fair trade, our manufacturing industries can meet any foreign com-

petitors in price, quality, and reliability.

In recognition of the many accomplishments of our manufacturing industries, their critical role in our economy, and the many contributions of their employees to our national life, the Congress, by Senate Joint Resolution 346, has designated June 21, 1986 as "National Save American Industry and Jobs Day" and has authorized and requested the President to issue a proclamation in observance of this occasion.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim June 21, 1986 as National Save American Industry and Jobs Day, and I invite the people of the United States to observe this day with appropriate ceremonies and activities.

*In Witness Whereof*, I have hereunto set my hand this twenty-first day of June, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:31 a.m., June 24, 1986]*

*Note: The proclamation was released by the Office of the Press Secretary on June 23.*

## Remarks at the Presentation Ceremony for the Presidential Scholar Awards

June 23, 1986

Good afternoon, and welcome to the White House. Forgive me for being a few minutes late on a hot day like this, but by this time in the afternoon I'm usually behind schedule. Secretary Bennett, Ronna

Romney, and guests here and ladies and gentlemen—and especially you, our Presidential Scholars for 1986. It's an honor to be able to help celebrate all that you 141 young people have achieved. Congratula-

tions as well to your teachers and parents—they're the ones with the ear-to-ear smiles.

We celebrate on your own behalf, taking pride in your individual achievements. But we celebrate as well on behalf of the Nation that nurtured you and afforded you the opportunities to develop your talents to such an impressive degree. As my assistant, Mitch Daniels—himself a former Presidential Scholar—pointed out in his talk a few minutes ago, your country's proud of you now, and we're certain to be proud in the future. The inspiration that you as Presidential Scholars provide to all young Americans is of immense importance, especially now that we're working so hard to improve American education.

You may remember that during our first term, the Department of Education published a report called "A Nation At Risk." The report concluded that the decline in our educational standards had become a crisis. If a foreign power had somehow done the damage to our schools that we ourselves had permitted, the report said, we might have considered it an act of war. Well, since then things have gotten better—not by themselves but through hard work. Today all 50 States have task forces on education. Over 40 have stiffened their graduation requirements, and 31 have enacted or are considering plans to encourage excellence among their teachers. Perhaps most telling, SAT scores, the scholarship [scholastic] aptitude tests, have started to rise after almost two decades of decline.

And now here you are today, 141 of you, proof positive that American schools and students can indeed achieve great things. I can't acknowledge each of you, but perhaps by mentioning a few I can indicate how outstanding you all are. There's Neil Minkoff of Maine, at 14, the youngest Presidential Scholar ever. There's Keith MacKay of New Hampshire, who likes math so much he's opened his own computer business. And Anne Handwerger comes from right here in Washington, and at her young age she's already fallen in love with teaching. Indeed, Anne spent last summer teaching in a village in the African nation of Zimbabwe.

Kim Redlinger of Texas is the great-

granddaughter of an Irish immigrant who was orphaned as her parents made the passage to America. Listen for a moment to Kim's own words: "Today I go to a great school and have everything I need; a far cry from a little Irish orphan on a leaky immigrant ship. In fact, the greatest legacy that my family has given me is an unshakable belief in hard work and the knowledge that I must give something back to a country that has given me so much." Kim's comments on her family bring to mind a few thoughts about education that I'd like to share with you. We Americans are becoming more and more aware these days of the importance of a good education for the family. A strong family makes it so much easier to raise children and give them a good education.

What can we do about it? Well, first, speak out. Just as children need a nurturing environment, so do families. Men and women in positions of influence—and here I mean not just government officials, but teachers, ministers, and, yes, actors and rock stars—need to demonstrate respect for family life. Certainly, Secretary Bennett and others in our administration have been speaking out on behalf of the family unceasingly. But I draw perhaps even greater encouragement from signs that the wider culture is once again beginning to respect, even to celebrate, family life. It's no accident that "Family Ties" is one of my favorite TV shows. And then we in government have a special responsibility, a responsibility to see to it that government programs are structured in a way that makes family life easier, not harder. Here at the Federal level, I've established a working group on the family to study the relationship between Federal programs and family life. The working group will give me its report in November, and I expect it to recommend a number of important changes. This will represent only a first step in the effort to make the Federal Government more responsive to the family, but I'm convinced no effort in this second term will carry greater importance. In the words of Michael Novak: "The family is the original and most effective Department of Health, Education, and Welfare."

So, my friends, congratulations to you all once again. You've shown what we can achieve in two words: the best. And in doing so, you've given us heart. So, thank you, God bless you all, and I'll now do what the little 11-year-old girl who wrote me a letter told me to do after I finished her letter. She said: "Now, get to the Oval Office and get to work." And Secretary

Bennett, while I do that, will be handing out the awards. And again, congratulations. God bless you all.

*Note: The President spoke at 1:35 p.m. in the Rose Garden at the White House. William J. Bennett was Secretary of Education. Ronna Romney was the Chairman of the Commission on Presidential Scholars.*

## Statement by Principal Deputy Press Secretary Speakes on United States Assistance for the Nicaraguan Democratic Resistance *June 23, 1986*

The President has asked to address the House of Representatives on Tuesday, June 24, on the cause of freedom and democracy in Central America. In the President's view, the way the United States responds to this fundamental challenge will affect the course of U.S. foreign policy for decades to come. It is a cause which requires national unity and firm bipartisan support.

The Speaker of the House of Representatives has declined the President's request. The President is deeply disappointed. The President feels strongly, as did other Presidents, that U.S. policy must support free peoples who are opposing totalitarian rule supported by external forces. The President, in his speech, would have sought to outline the historical trends in our hemisphere today which are directed toward democratization, and he would have discussed the exceptions to this trend by such countries as Nicaragua.

He was also planning to give his analysis of the status, goals, and prospects of the democratic resistance in Nicaragua. His purpose was to also outline what type of negotiated settlement the United States can support in Central America. And finally, on the legislative side, he wanted to explain what forms of military and economic assistance he supports for the democratic resistance.

In the President's view this issue embodies a basic principle of the Reagan foreign policy, and that is: We will stand up to totalitarian governments, and we will seek support for people, and we will support people who seek their basic freedom. Our response involves not only the future of democracy in our hemisphere, but it also embodies the basic political ideals of the American people.

*Note: Larry M. Speakes read the statement to reporters at 3:01 p.m. in the Briefing Room at the White House.*

## Nomination of Justin W. Dart, Jr., To Be Commissioner of the Rehabilitation Services Administration *June 23, 1986*

The President today announced his intention to nominate Justin W. Dart, Jr., to be Commissioner of the Rehabilitation Services Administration, Department of Education.

He would succeed George A. Conn.

Since 1982 Mr. Dart has been a member of the National Council on the Handicapped. Previously, he established a private,

independent living program involving teaching, guidance, and career planning for disadvantaged and disabled persons in Japan and the United States, 1966–1981; was the president and founder of Nippon Greeting Cards, Ltd., in Tokyo, Japan, 1966; was the president and founder of Japan Tupperware Co., Ltd., 1963–1965; and was

the president and founder of several sports companies in the United States and Mexico, 1956–1961.

Mr. Dart graduated from the University of Houston (B.S., 1953 and M.A., 1954). He is married, has five children, and resides in Washington, DC. Mr. Dart was born August 29, 1930, in Chicago, IL.

## Nomination of Kenneth M. Carr To Be a Member of the Nuclear Regulatory Commission

June 23, 1986

The President today announced his intention to nominate Kenneth M. Carr to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1991. He would succeed Nunzio J. Palladino.

Admiral Carr retired from active duty in May of 1985 after having most recently served as deputy and chief of staff to the Commander in Chief, U.S. Atlantic Fleet, 1983–1985. During his naval career, Admiral Carr was commanding officer of the U.S.S. *John Adams*, 1967–1968; on the staff of the Chief of Naval Operations (Research and Development), 1968–1970; on the staff

of the Commander in Chief, U.S. Atlantic Fleet, for duty as senior member, Naval Propulsion Examining Board, 1970–1972; chief of staff to the Commander, Submarine Force, U.S. Atlantic Fleet, 1972–1973; military assistant to the Deputy Secretary of Defense, 1973–1977; Commander of the Submarine Force, U.S. Atlantic Fleet, 1977–1980; and vice director of strategic target planning at Offutt Air Force Base, NE, 1980–1983.

He graduated from the U.S. Naval Academy (1949). Admiral Carr is married and resides in Groton Long Point, CT. He was born March 17, 1925, in Mayfield, KY.

## Nomination of Three Members of the Board of Directors of the Legal Services Corporation

June 23, 1986

The President today announced his intention to nominate the following individuals to be members of the Board of Directors of the Legal Services Corporation for terms expiring July 13, 1989. These are reappointments.

*Leanne Bernstein*, of Maryland. Mrs. Bernstein is an adjunct faculty member, University of Maryland Baltimore County and Catonsville Community College, a position she has held since 1981. Previously she was an attorney with the firm of Smiley, Olson, Gilman & Pangia, 1984–1985. She graduated from Butler University (B.A., 1972) and Indiana University (J.D.,

1977). Mrs. Bernstein is married, has two children, resides in Baltimore, MD; and she was born February 22, 1950, in Poplar Bluff, MO.

*Claude Galbreath Swafford*, of Tennessee. Mrs. Swafford has been an attorney engaged in private practice in South Pittsburg, TN, since 1949. She graduated from the University of Tennessee (B.S., 1975), Tennessee Technological University (M.A., 1976), and the University of Tennessee College of Law (J.D., 1949). Mrs. Swafford is married, has two children, resides in South Pittsburg; and she was born December 7, 1925, in Greeneville, TN.

*Robert A. Valois*, of North Carolina. Mr. Valois is

a partner with the law firm of Maupin, Taylor & Ellis, P.A., in Raleigh, NC. He graduated from the University of Miami (B.A., 1962) and Wake Forest University (J.D., 1972). Mr. Valois

is married, has two children, resides in Raleigh; and he was born on May 13, 1938, in New York City.

## **Nomination of Mary McNally Rose To Be a Deputy Under Secretary of Education**

*June 23, 1986*

The President today announced his intention to nominate Mary McNally Rose to be Deputy Under Secretary for Management, Department of Education. She would succeed Linda M. Combs.

Since August 1985 Mrs. Rose has been Director, White House Personnel. Previously, she was Assistant Director for Executive Administration, U.S. Office of Personnel Management, February-June, 1985; Assistant Director for Executive Personnel and

Policy, 1983-1985; Assistant Director, Office of Executive Personnel, 1981-1983; and Special Assistant to the Director, U.S. Office of Personnel Management, February 1981.

Mrs. Rose graduated from Bon Secours Hospital School of Nursing (R.N., 1967) and the Federal Executive Institute (1983). She is married, has four children, and resides in Annapolis, MD. Mrs. Rose was born April 10, 1946, in Baltimore, MD.

## **Message to the Senate Transmitting the Convention on Wetlands of International Importance**

*June 23, 1986*

*To the Senate of the United States:*

I transmit herewith, for the advice and consent of the Senate to ratification, the Convention on Wetlands of International Importance especially as Waterfowl Habitat, concluded at Ramsar, Iran, February 2, 1971, and a Protocol to the Convention, concluded at Paris on December 3, 1982. The report of the Department of State is also enclosed for the information of the Senate.

The Convention is the result of a broad international recognition of the economic, cultural, scientific, ecological, and recreational value of wetlands, coupled with rising concern over the progressive worldwide loss and degradation of these habitats and their dependent resources. The Convention provides a framework for promoting the conservation of wetlands through international cooperative and coordinated actions, consultations, and information ex-

change.

A primary obligation under the Convention is the designation by Contracting Parties of wetlands within their territory for inclusion in a "List of Wetlands of International Importance." If advice and consent to ratification is forthcoming, I intend to designate the four wetlands named in the Department of State report.

The Protocol to the Convention establishes the four language texts of the original Convention as equally authentic and provides a mechanism for amending the Convention.

International efforts directed toward wetlands conservation are vital to the preservation of United States migratory bird populations, which are affected by the loss of wetland habitats to the south. United States participation would complement domestic wetlands protection efforts and legislation; help stimulate Latin American countries, in



particular, to cooperate in protecting the wintering habitat of birds that migrate to North America; and provide a framework for sharing U.S. wetlands technology and expertise.

I recommend that the Senate consider this matter at an early date, and give its

advice and consent to ratification of the Convention and Protocol.

RONALD REAGAN

The White House,  
June 23, 1986.

## Interview With Eleanor Clift, Jack Nelson, and Joel Havemann of the Los Angeles Times

June 23, 1986

### Arms Control

*Q.* Mr. President, Senator Paul Laxalt, your old friend, said that early on in your administration, not long after the assassination attempt, that he told you he thought that the Lord saved you out there on the sidewalk, not so much to save the economy but to save the world, and that what he meant by that—to reach some sort of an arms control agreement with the Soviets. And he said you didn't disagree with that. Now, you've recently in the speech at Glassboro said that you are firmly committed to an arms reduction. I was just wondering, the Soviets have made a proposal now for deep reduction in offensive weapons in return for some restraint on deployment of the space-based defense. Can you accept that in principle?

*The President.* Well, almost all of them in principle—there have been, you know, like the figures and so forth, talking of the weapons. I think because of the mix that each of us sees, we have chosen a different way to go—with what we call the triad—than they have. They've placed more reliance on the intercontinental. And so, there are things that have to be negotiated and worked out. Now, we're still in the process of studying their latest proposal. But I am encouraged because—not only this one but the first proposals that they began making—it's, to my knowledge, the first time that the Soviets have ever proposed actually reducing the number of weapons.

*Q.* Well, you may be able to accept that in principle, then—that proposal?

*The President.* Yes, but don't pin me

down on this, because, as I say, we're still studying this and—

*Q.* Yes. The other thing is just what kind of priority do you give—I mean, how high a priority do you give on arms control or arms reduction? Would it be possible, for example, to raise the level of the Geneva talks from ambassadorial level to the level of foreign minister to accelerate the progress there?

*The President.* Well, I don't know. Our negotiators there, we think, are very capable, and I assume the Soviets think theirs are, too. But whatever way is necessary to get an agreement, we'll do. Eventually, of course, it has to come back to the top. And, therefore, if the General Secretary and I could in a forthcoming summit arrive at some agreements there, and then hand it over to our negotiators to put it down on paper and work out the details—but we agreed, as you say, in principle, then, on all the major elements—that would probably help shortcut it, instead of waiting for something to come back to us and then having to go through it, dotting every “i” and so forth. As I say, this has been my belief and my goal long before I came here. The previous efforts at arms—which have literally only been a kind of legitimizing of a continued arms increase—I've been critical of those. That was why I spoke as harshly as I did about a couple of those stories.

*Q.* Is it your highest priority for a second term?

*The President.* I think that this could be as important a thing for the world at large. If anything is to remove this menace—for

the world to sit here with the MAD policy, as it's called—and it is mad, even though it means mutual assured destruction. The idea that we're going to base our hopes for peace on each being able to destroy the other and, therefore, hoping that no one will suddenly go mad and push the button.

*Q.* Mr. President, I would like to see if I can't get you to be a little more specific on what it is you don't like about the latest Soviet offer. Is it the level of reductions? Is it the link to the ABM treaty? Is it verification? Can you tell us what is—

*The President.* It's things of that kind that have to be ironed out, that are not specific, and that we might, in some instance, find ourselves in disagreement. We've announced our willingness several times of changed figures to approximate theirs in which we're willing to buy any substantial reduction as long as we both are aiming eventually at the total elimination.

*Q.* So, you do have problems in all of those three areas—with the link to the ABM treaty? I mean, that's a crucial part of their latest offer.

*The President.* As I say, we're still studying those things. And I'm waiting for some of the people who are dealing with the exact terms—for us to get together and sit down and see what our positions really are.

*Q.* As a matter of principle, is some sort of hold-down on SDI, some sort of delay in the deployment of the SDI—is that acceptable as part of the package?

*The President.* We know that this has been of great concern to them—the SDI. On the other hand, we believe that this is one of the most hopeful things that's come along in a long time: with the idea of making it possible for us mutually to depend more on defensive systems than on just the threat of overpowering offensive systems. And we have some ideas about that, too, which we think will be forthcoming when we start responding to their latest proposal.

#### *Soviet-U.S. Summit Meeting*

*Q.* I just want to ask you, on a sort of a lighter note: If the summit with Mr. Gorbachev comes off, what it is you would like to do with him? Do you want to take him to the ranch? And what would you like to see

in Moscow? Have you thought about that?

*The President.* Well, when we made the agreement, standing out in the parking lot in Geneva, which is where he and I made it all by ourselves, he had opened the subject by saying that there were things he'd like to show me in the Soviet Union. And knowing he had never visited our country, I said, "Well, there are some things I'd like to have you see." So, I said, "Why don't we have the 1986 summit in the United States, and I'm hereby inviting you." And he said, "I accept." And he said, "And there are things, as I say, that I would like you to see in the Soviet Union. And then we could make the '87 summit in the Soviet Union." And I said, "I accept." And we went in to our respective teams and told them that. And I think they were astonished, because they thought it was going to take a lot of debating and arguing and hassling to get agreement on future summits.

But he hasn't seen anything in America, and I think there are an awful lot of things that I'd like to have him be able to see in our country, just as I would like to see things there. But I worry. I feel a little frustrated, because how, for example, can I show him how Americans live and this sort of thing, without there being a suspicion that it's a Potemkin village, or it's been created as a display for him to see? How can we convince him that we're not staging something for him, that it's—

*Q.* Maybe let him pick his spots.

*The President.* Yes. Oh, I've thought of that. And then they're going to have to do it right away so there couldn't be any time lapse in there in which he would think, having chosen the spot, we are now doing something about it.

*Q.* Would you take him to the ranch?

*The President.* We've talked about that. We don't know now what the time constraints would be and whether we could or not. But since he comes from an agricultural background, we have thought about his seeing our countryside and maybe the ranch.

#### *Arms Control*

*Q.* Mr. President, if I can take you back to arms control for a moment. On the SALT

treaty, you and your top advisers have used a variety of euphemisms to declare the treaty dead, but you've never quite said so in so many words. Are you prepared to say that the SALT II treaty is dead?

*The President.* You know, when you keep asking for things like that—I spent about a quarter of a century in labor management negotiations for my own union, the Screen Actors Guild, and for much of that time I was in charge of the negotiations. I think I know something about negotiations, and now you have a kind of a built-in instinct. And I just am reluctant to come out with some of the declarations that many of you want to hear, either way, because, in a way, you commit yourself in advance to things that may become issues in a negotiation. So, yes, I have tried to avoid that. But, in effect, what I was saying with regard to SALT II, the proposal, I understand, came from the Soviet Union prior to my arrival in office about observing the constraints even though our Senate would not and never has ratified that treaty. The treaty was only for a temporary period of time, and we've gone past that time. So, it would've outlived itself by now.

But the Soviets were very choosy about their own observance of the constraints of SALT. Some things they did abide by and observe, others they ignored and violated the terms of SALT to go forward with their own arms buildup. We found ourselves the only one that unilaterally was observing the constraints that were laid down in the SALT treaty. Well, we can't go on doing that. We don't seek a military superiority over the Soviet Union; we seek a deterrent. But it must be a deterrent that is practical and real.

*Q.* Well, would the setting of a firm date for the summit, Mr. President, together with the latest Soviet arms control proposal, maybe persuade you that you should not exceed the SALT II limits, as you've indicated we might do near the end of the year?

*The President.* We are in the process of a modernization program, long overdue and way behind theirs. Both sides have been modernizing, not just expanding in numbers but exchanging now for superior versions of these weapons. They are way ahead of us in that. We're playing catchup, and we

must go forward with that program if we are to have an assurance that our national security is solid.

#### *Soviet-U.S. Summit Meeting*

*Q.* Are we going to have a summit this year, Mr. President?

*The President.* I believe so, and he has given every indication that he wants to have a summit.

*Q.* So, it probably will be in November or December?

*The President.* Well, now, here again, we made a proposal. It obviously was too early for them because of their great national congress [27th Congress of the Communist Party] and so forth and a new administration just taking over. So we've recognized that, and we have expressed our feeling about ourselves and the problems of our own election coming up—that it would be better following that. And, frankly, I'm waiting to see if he has a particular date that he could suggest. I'm quite sure that when it comes to '87 and they start inviting, they could very easily hit upon a wrong date for us because of our own commitments here. And we would come back with an alternate suggestion. So, whether they suggest one or whether they're waiting for us, we'll work that out, and we'll have a summit.

#### *Soviet-U.S. Relations*

*Q.* U.S.-Soviet relations seem to have been sort of up and down in your administration, as in a lot of other administrations. How would you describe them now?

*The President.* I think they're on a more solid footing than they've been for a long time, for one thing, because I think we've made it plain to the Soviet Union that we are realistic. We see them and what their goals are, and we're not deluding ourselves in any way. And I think in the past there has been a tendency to see them in a mirror kind of image and think, well, if we just are nice, they'll want to be nice in return. They've got some practical goals of their own. Some, we probably disagree with—be opposed to. And based on Geneva, he and I did have hours of talk together, and we got right down to basic

fundamentals and found out pretty much what each other believed. And so, as I say, I think that it's on a solid basis. When you say it's been an up or down thing, you have to remember for most of my first term here we had Soviet leaders, one after the other, that were almost incommunicado because of health reasons, and they kept dying.

#### *Arms Control*

*Q.* Are you betting that the Soviets will not respond to the abandonment of the SALT treaty with an increase in their arms buildup because they can't afford it?

*The President.* I think they've got some very real economic problems. And this, again, is one of the reasons why I'm hopeful about our getting together. We've all got problems, one kind or another, and they have some very real economic problems. So, I think that the—well, let me put it this way, I don't think that either one of us wants to engage in an arms race. I have made it plain that there's no way we're going to sit back and allow someone else to build a great superiority. And I believe that they have other problems that they think might take precedence over a continued arms buildup at the rate that they've been doing it in the past.

*Q.* So the time is right?

*The President.* Yes.

#### *Libya and Terrorism*

*Q.* Mr. President, if I might ask you just a quick question on terrorism: There have been reports that Colonel Qadhafi is in a very bad mental state since the bombing of Libya. Do you have any information yourself on what sort of situation he's in now and whether he's beginning to lose his grip on his own country?

*The President.* Well, we've seen these rumors and there have been reports, sometimes conflicting. But we are aware that he has not made any public appearances as he usually did. I don't think that one television speech could count as out with the public as he's done in the past. He's been keeping a very low profile. And we do know that—from some reports—that sometime back, shortly after our attack, there was fighting in the streets in his country. And I have to say, I think it's apparent that his Arab

neighbors, while they dutifully said some things at the time, are more or less keeping their distance.

*Q.* Do you think the bombing of Libya has had anything to do with the drop in terrorism in the country or in the world?

*The President.* I'm almost afraid to answer that. If I answer it, it might challenge somebody to perform some acts just to prove me wrong.

*Q.* But there has been a drop since—

*The President.* Yes, there has. Yes.

#### *South Africa*

*Q.* Mr. President, I'd like to switch to South Africa. It's been reported that you made a personal plea to South African President Botha to lift the current state of emergency and that he turned you down. How do you feel about that, and what do you do next?

*The President.* Well, yes, we think that things would be better and that we would be closer to—or they would be closer to getting to some kind of negotiations without this. We've made it plain that we disagree with this as the move that he's made. We think that, first of all, that the Botha government has shown its willingness to take steps and has even expressed its desire to rid the country of apartheid. At the same time, he is faced, as anyone in his position is—as I am here in our government—with a faction in his own government that disagrees and doesn't go along with what he's trying to accomplish. But he has made some gains, the pass laws, single citizenship, a number of, well, things having to do with racial mixing in marriage and so forth, labor unions, black labor unions, that have been permitted there.

So, I have to believe in his sincerity, that he wants to find an answer to this problem. We think the answer has to come from negotiation with some of the recognized black leaders. Right now, the big setback is—and this is where I think his most recent action could aggravate it rather than ease it—and that is the literally civil war in the black community, where they're now fighting each other. And—

*Q.* Yes, but, Mr. President, when you single out the fact, I guess, that, you know,

blacks are fighting each other and you point out the advances that Botha has brought, some people think that you're expressing sympathy with his government. And while you have called apartheid repugnant, your administration has taken very few concrete steps. And you have sanctions against Nicaragua and Libya, and there's a feeling that you've treated South Africa with somewhat of a kid-glove approach.

*The President.* We have sanctions also against South Africa. But they're not the kind of sanctions that, for example, were being talked about up on the floor of Congress the other day. Because what would happen with those is you would punish the very people we're trying to help. There would be great unemployment there. There would be a terrible economic situation. But at the same time, we then would have removed ourselves. We would be on the outside and no longer able to communicate and try to persuade and talk, as we have been all this time.

Take, for example, the idea of American firms being ordered out of South Africa. They have an employment policy that was written out by a very estimable black clergyman in this country, Reverend Sullivan. They followed that. They have set a standard for South African firms in that their treatment of employees is different than it has been anywhere else in South Africa—their promotion to supervisory positions and so forth of black employees. Now, what we think would be truly counterproductive and disastrous is for us, out of sheer pique or anger, to just remove ourselves and lose all contact with that government.

*Q.* Then how do you deal with the perception that you're somehow sympathetic with this regime, and what do you do instead of sanctions?

*The President.* Well, may I cite some of the statements that I've made publicly about actions there and that the Secretary of State has made—our disapproval of various things? That, too, is a part of negotiations—and to disapprove as well as to try to be helpful.

#### *U.S. Supreme Court and Social Issues*

*Q.* Mr. President, if I can turn you to the domestic side of government: I wonder if

you could tell us how you'd like to see the addition of Judge Scalia to the Supreme Court and the elevation of Justice Rehnquist affect the Court's rulings on the social issues like abortion and school prayer and so forth.

*The President.* Well, I have never given a litmus test to anyone that I have appointed to the bench, nor did I in this instance. I feel very strongly about those social issues, but I also place my confidence in the fact that the one thing that I do seek are judges that will interpret the law and not write the law.

We've had too many examples in recent years of courts and judges legislating. They're not interpreting what the law says and whether someone has violated it or not. In too many instances, they have been actually legislating by legal decree what they think the law should be, and that I don't go for. And I think that the two men that we're just talking about here, Rehnquist and Scalia, are interpreters of the Constitution and the law.

*Q.* You didn't ask Judge Scalia how he stands on abortion, for example?

*The President.* No.

*Q.* Mr. President, [Assistant to the President and Director of Communications] Pat Buchanan has said that if you got two appointments to the Supreme Court it could make more difference on your social agenda, in achieving it, than 20 years in Congress. Do you agree with that—that it could?

*The President.* Yes, I think there are a great many things, particularly these social things that Congress has debated off and on and over the years and the interpretation of the law, for example. You mentioned abortion. Let me state just unequivocally what I feel about it. And I don't feel that I'm trying to do something that is taking a privilege away from womanhood, because I don't think that womanhood should be considering murder a privilege. The situation is: Is the unborn child a living human being? Now, every bit of medical evidence that I have come across says that it is. Then you're taking a human life. Now, in our society and under our law, you can only take a human life in defense of your own.

And I would respect very much the right of a prospective mother if told that her life is endangered if she goes through with the pregnancy. Then that is an entirely different situation. But until someone can prove medically that the unborn is not a living human being, I think we have to consider that it is.

*Q.* Well, there've been suggestions, though, by people in your administration that while you feel strongly about these subjects—abortion, school prayer, busing, and so forth—that you haven't pushed them as much as you might have because of the other more pressing matters of taxes, budget, and so forth, and that you've almost given up getting them through Congress, but you expect the Supreme Court appointments, if you get them, to help achieve that social agenda. Would that be accurate?

*The President.* Well, you have found that Congress has been unwilling to deal with these problems that we brought up. Prayer in schools—I was struck the other day when Chief Justice Burger was speaking about a subject of that kind and the separation of church and state and the interpretations that have been placed upon it. And he said there are only 16 words in the Constitution, and those 16 words are very simple and plain. The Congress shall—I may not be able to quote it accurately—the words of the Constitution—but Congress shall make no laws or provisions—whatever the word is used there—regarding the establishment of religion or the prohibition of the practice of religion. And whatever it is, it comes out to just 16 words, and that's it. Well, now, if you tell somebody they can't pray, aren't you violating those 16 words? And are you violating those 16 words with regard to establishment of religion if somebody's allowed to pray? And the funny thing is, it was Benjamin Franklin that uttered the statement in the Constitutional Convention that finally got them to open the meetings with prayer. And the Continental Congress, before there was the present Congress and the Constitution, always opened with prayer. And to this day the Congress opens with prayer. And on our coins it says, "In God We Trust." And to me, the decision that prevented voluntary prayer by anyone who wanted to do so in a school or a public

building is just not in keeping with the Constitution at all.

#### *Federal Judicial Nominations*

*Q.* Mr. President, I think the predictions are that Judge Scalia and Justice Rehnquist will sail through their confirmation. But you've had a couple of other nominations that have been stalled on the Hill. And in the radio address you attributed it largely to partisanship. If the ABA [American Bar Association] has given both [Daniel A.] Manion and [Jefferson B.] Sessions the lowest ranking possible in terms of their Good Housekeeping Seal, so to speak, I mean how can you call these distinguished appointments?

*The President.* Because I have appointed 281 judges to the Federal bench. All of them have been approved, usually by that rating of "qualified." Now, the issue they are raising with Manion is that—well, the next rating below "qualified" is "unqualified"—that they're marked as "unqualified." And I've never appointed anyone who was termed "unqualified," or tried to nominate anyone that was unqualified according to the court. But Presidents Carter and Ford, between them, appointed 555 judges. And 282 of those were judged "qualified" by the same bar association. As a matter of fact, two Presidents in the recent past—very recent past—each appointed three who were declared "unqualified" by the bar association.

*Q.* So, you think "qualified" should be good enough?

*The President.* Yes, and in this one particular case right now, I think there've been—well, one Senator openly and in the committee meeting expressed himself to my nominee as that he respected his ability and his character, and so forth, and would vote against him, however, only because he disagreed with his political views. Well, now that is not the prerogative of the Senate. This should never have been said, and that should not be their reason. But I was in this same position as the Governor of California that I am in now as President of the United States. And there I had a legislature of the other party in the majority. And you'd be surprised how difficult, as it got down

toward the last couple of years, it was for me to appoint anyone requiring senate confirmation in the State—to get them qualified. Because they just decided they'd wait—outlast me now and let all these things remain for—if their fellow got elected.

*Q.* So you have to make a stand against this or you could be relegated into lame-duck as far as—

*The President.* Yes.

#### *AIDS*

*Q.* I want to ask you about AIDS.

*Mr. Speakes.* You're out of time. You can get that one in. I think maybe it might be a good idea to revisit this—U.S.-Soviet except in principle, and be sure you've got the President's thinking.

*Q.* Okay, but if you will, Larry, we did have a couple of important questions we'd like to get to the President. One of them is on AIDS, if you don't mind.

*The President.* All right.

*Q.* The Public Health Service has projected some pretty scary figures about AIDS, and it says that it will strain the existing health resources of the nation. I mean, first of all, do you think of AIDS as kind of public health enemy number one? And do you think it's time for a stepped-up government effort?

*The President.* Well, we have been spending a tremendous amount of money on AIDS research. You know our financial problems. I don't know how much more leeway there is for us, but we've been doing all that we can do because of the threat that this represents. As a matter of fact, why don't some of you in the media start suggesting to people, because of another problem—and that is, the problem of blood donors and so forth. You know there's a practical answer to that if someone would just announce it. Why don't healthy and well people give blood for themselves? And it can then be kept in case they ever need a transfusion. They can get a transfusion of their own blood, and they don't have to gamble on—

#### *Views on the Vice Presidency*

*Q.* Mr. President, can I ask you one very quick political question? You one time said

that the Vice Presidency reminded you of an old rule of dogsledding: Only the lead dog gets a change of scenery.

*The President.* Yes.

*Q.* Now, you've had Vice President Bush as your Vice President for all these years. Do you still look on the Vice Presidency that way? Is that it's—

*The President.* Well, you know, I said that in talking about—well, actually I was talking about the—well, I know, I was talking about that as well as my own Lieutenant Governor. But I've done here the same thing I did with the Lieutenant Governor in California, and that is, our dogsled—we're running double harness. The Vice President is a party to and part of every decision and every meeting that we have.

*Q.* If both he and your good friend Paul Laxalt run for the nomination, what are you going to do?

*The President.* I'm going to do—even without that—what I'm forced to do, and that is, as titular head of the party, until the party has decided on a nominee—and then I will support that nominee all out. I cannot take sides in a primary.

#### *Arms Control*

*Q.* Let me go back and ask you, since Larry suggested it, Mr. President, is we get straight how you feel on the arms control process with the Soviets. Do you accept in principle what the Soviets—

*The President.* Well, let me define principle. As I've said, for the first time they are—as representatives of the Soviet Union—are proposing actual reductions and have even announced their desire that these lead to an eventual elimination of such weapons. That principle, yes, I agree on. That was my goal long before they said it in 1982. I made the proposal, and I'd still like to see happen—of the intermediate-range weapons that were based in Europe, aimed at each other—that those be just totally eliminated, that threat be taken away. The principle of starting meaningful reductions of weapons and with the ultimate goal of eliminating them entirely—yes, I agree wholeheartedly with that.

### *Strategic Defense Initiative*

*Q.* But if the Soviets insist on linking that with some sort of a constraint on SDI deployment?

*The President.* Well, you know, there's one thing about SDI that I think all of us should look at. First of all, research is not violating any agreements or treaties. If research develops that there is such a weapon, wouldn't there be a practical reason then to say to all the world, "Here it is and why don't we have this?" Just as when, after World War I, we ruled out gas as a weapon of war. But no one threw away their gasmasks, because you've always got to think that you know how to make it. The world cannot forget that it knows how to make a ballistic missile. And someday there could be another madman, as there was in Germany that came along, and this other madman—he could decide. But if you've got this and it's practical, then you can all go to sleep and rest easy at night, knowing that if somebody tries to cheat, it won't work because you have that system.

*Q.* But going back to what you said earlier, this also could be part of your negotia-

tions on arms control, generally, right?

*The President.* That's right, yes.

*Q.* In that answer, you addressed research and not deployment. I believe Mr. Gorbachev now has taken a position that he'll allow research to go ahead.

*The President.* Yes.

*Q.* It's the next step that seems to be the sticking point.

*The President.* All right. But now allow me to hold back on some things, because, as I said before, I'm in the position of having to negotiate.

*Q.* Mr. President, thank you very much. You look hale and hearty.

*The President.* Well, my pleasure.

*Q.* I was going to ask you a health question, but it didn't do any good because you're obviously in very good health since Friday.

*Note: The interview began at 11:31 a.m. in the Oval Office at the White House. Larry M. Speakes was Principal Deputy Press Secretary to the President. The final question referred to the President's postoperative examination at Bethesda Naval Hospital on June 20.*

## Message to the Congress Transmitting the 1985 Annual Report of the National Science Foundation *June 24, 1986*

### *To the Congress of the United States:*

I am pleased to send you the annual report of the National Science Foundation for Fiscal Year 1985. This report describes research supported by the Foundation in the mathematical, physical, biological, social, behavioral, and information sciences; engineering; and education in those fields.

Achievements such as those described in this report are the basis for much of our Nation's strength—its economic growth, military security, and the overall well-being of our people.

We face challenges in science, engineer-

ing, and technology, but I am confident about our ability to meet those challenges. The National Science Foundation has been and will remain a key part of the national effort to expand our research achievements and productivity and to remain competitive in world markets through innovation and new discoveries.

I commend the Foundation's work to you.

RONALD REAGAN

The White House,  
June 24, 1986.



## Address to the Nation on United States Assistance for the Nicaraguan Democratic Resistance *June 24, 1986*

### *My fellow citizens:*

The matter that brings me before you today is a grave one and concerns my most solemn duty as President. It is the cause of freedom in Central America and the national security of the United States. Tomorrow the House of Representatives will debate and vote on this issue. I had hoped to speak directly and at this very hour to Members of the House of Representatives on this subject, but was unable to do so. Because I feel so strongly about what I have to say, I've asked for this time to share with you—and Members of the House—the message I would've otherwise given.

Nearly 40 years ago a Democratic President, Harry Truman, went before the Congress to warn of another danger to democracy, a civil war in a faraway country in which many Americans could perceive no national security interest. Some of you can remember the world then. Europe lay devastated. One by one, the nations of Eastern Europe had fallen into Stalin's grip. The democratic government of Czechoslovakia would soon be overthrown. Turkey was threatened, and in Greece—the home of democracy—Communist guerrillas, backed by the Soviet Union, battled democratic forces to decide the nation's fate. Most Americans did not perceive this distant danger, so the opinion polls reflected little of the concern that brought Harry Truman to the well of the House that day. But go he did, and it is worth a moment to reflect on what he said.

In a hushed Chamber, Mr. Truman said that we had come to a time in history when every nation would have to choose between two opposing ways of life. One way was based on the will of the majority—on free institutions and human rights. "The second way of life," he said, "is based upon the will of a minority forcibly imposed upon the majority. It relies upon terror and oppression, a controlled press and radio, fixed elections and the suppression of personal freedoms. I believe," President Truman said, "that it

must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures." When Harry Truman spoke, Congress was controlled by the Republican Party. But that Congress put America's interest first and supported Truman's request for military aid to Greece and Turkey—just as 4 years ago Congress put America's interest first by supporting my request for military aid to defend democracy in El Salvador.

I speak today in that same spirit of bipartisanship. My fellow Americans and Members of the House, I need your help. I ask first for your help in remembering—remembering our history in Central America, so we can learn from the mistakes of the past. Too often in the past the United States failed to identify with the aspirations of the people of Central America for freedom and a better life. Too often our government appeared indifferent when democratic values were at risk. So, we took the path of least resistance and did nothing. Today, however, with American support, the tide is turning in Central America. In El Salvador, Honduras, Costa Rica—and now in Guatemala—freely elected governments offer their people the chance for a better future, a future the United States must support.

But there's one tragic, glaring exception to that democratic tide—the Communist Sandinista government in Nicaragua. It is tragic because the United States extended a generous hand of friendship to the new revolutionary government when it came to power in 1979. Congress voted \$75 million in economic aid. The United States helped renegotiate Nicaragua's foreign debt. America offered teachers, doctors, and Peace Corps volunteers to help rebuild the country. But the Sandinistas had a different agenda.

From the very first day a small clique of Communists worked steadily to consolidate power and squeeze out their democratic allies. The democratic trade unionists who

had fought Somoza's national guard in the streets were now told by the Sandinistas that the right to strike was illegal and that their revolutionary duty was to produce more for the state. The newspaper, *La Prensa*, whose courage and determination had inspired so much of the Nicaraguan revolution, found its pages censored and suppressed. Violeta Chamorro, widow of the assassinated editor, soon quit the revolutionary government to take up the struggle for democracy again in the pages of her newspaper. The leader of the Catholic Church in Nicaragua, Archbishop—now Cardinal—Obando y Bravo, who had negotiated the release of the Sandinista leaders from prison during the revolution, was now vilified as a traitor by the very men he helped to free.

Soviet arms and bloc personnel began arriving in Nicaragua. With Cuban, East German, and Bulgarian advisers at their side, the Sandinistas began to build the largest standing army in Central American history and to erect all the odious apparatus of the modern police state. Under the Somoza dictatorship, a single facility held all political prisoners. Today there are 11—11 prisons in place of 1. The Sandinistas claim to defend Nicaraguan independence, but you and I know the truth. The proud people of Nicaragua did not rise up against Somoza—and struggle, fight, and die—to have Cubans, Russians, Bulgarians, East Germans, and North Koreans running their prisons, organizing their army, censoring their newspapers, and suppressing their religious faith. One Nicaraguan nationalist who fought in the revolution says, "We are an occupied country today."

I could go on, but I know that even the administration's harshest critics in Congress hold no brief for Sandinista repression. Indeed, the final verdict has already been written by Cardinal Obando himself in the *Washington Post*. Listen carefully to the Cardinal's words. He says that the Sandinista regime "is a democratic government, legitimately constituted, which seeks the welfare and peace of the people and enjoys the support of the overwhelming majority" is not true. To accept this as true, the Cardinal says, "is to ignore the mass exodus of the Miskito Indians, the departure of tens of thousands of Nicaraguan men and women

of every age, profession, economic status, and political persuasion. It is to ignore the most terrible violation of freedom of the press and of speech in the history of our country, the expulsion of priests, and the mass exodus of young people eligible for military service." As for the Catholic Church in Nicaragua, we have been "gagged and bound," the Cardinal says.

Many brave Nicaraguans have stayed in their country despite mounting repression—defying the security police, defying the Sandinista mobs that attack and deface their homes. Thousands—peasants, Indians, devout Christians, draftees from the Sandinista army—have concluded that they must take up arms again to fight for the freedom they thought they had won in 1979. The young men and women of the democratic resistance fight inside Nicaragua today in grueling mountain and jungle warfare. They confront a Soviet-equipped army, trained and led by Cuban officers. They face murderous helicopter gunships without any means of defense. And still they volunteer. And still their numbers grow. Who among us would tell these brave young men and women: "Your dream is dead; your democratic revolution is over; you will never live in the free Nicaragua you fought so hard to build?"

The Sandinistas call these freedom fighters *contras*, for counterrevolutionaries. But the real counterrevolutionaries are the Sandinista commandantes, who betrayed the hopes of the Nicaraguan revolution and sold out their country to the Soviet empire. The commandantes even betrayed the memory of the Nicaraguan rebel leader Sandino, whose legacy they falsely claim. For the real Sandino, because he was a genuine nationalist, was opposed to communism. In fact, Sandino broke with the Salvadoran Communist leader, Farbundo Martí, over this very issue. The true Nicaraguan nationalists are the leaders of the United Nicaraguan Opposition: Arturo Cruz, jailed by Somoza, a former member of the Sandinista government; Adolpho Calero, who helped organize a strike of businessmen to bring Somoza down; and Alfonso Robelo, a social democrat and once a leader of the revolutionary government. These good men re-

fused to make any accommodation with the Somoza dictatorship. Who among us can doubt their commitment to bring democracy to Nicaragua?

So, the Nicaraguan people have chosen to fight for their freedom. Now we Americans must also choose, for you and I and every American has a stake in this struggle. Central America is vital to our own national security, and the Soviet Union knows it. The Soviets take the long view, but their strategy is clear: to dominate the strategic sealanes and vital chokepoints around the world. Half of America's imports and exports, including oil, travels through the area today. In a crisis, over half of NATO's supplies would pass through this region. And Nicaragua, just 277 miles from the Panama Canal, offers the Soviet Union ports on both the Atlantic and Pacific Oceans.

The Soviet Union already uses Cuba as an air and submarine base in the Caribbean. It hopes to turn Nicaragua into the first Soviet base on the mainland of North America. If you doubt it, ask yourself: Why have the last four Soviet leaders, with a mounting economic crisis at home, already invested over a billion dollars and dispatched thousands of Soviet-bloc advisers into a tiny country in Central America? I know that no one in Congress wants to see Nicaragua become a Soviet military base. My friends, I must tell you in all seriousness, Nicaragua is becoming a Soviet base every day that we debate and debate and debate—and do nothing. In the 3 months since I last asked for the House to aid the democratic resistance, four military cargo ships have arrived at Nicaraguan ports, this time directly from the Soviet Union. Recently we have learned that Russian pilots are flying a Soviet AN-30 reconnaissance plane for the Sandinistas. Now, the Sandinistas claim this is just for making civilian maps. Well, our intelligence services believe this could be the first time Soviet personnel have taken a direct role in support of military operations on the mainland of North America.

Think again how Cuba became a Soviet air and naval base. You'll see what Nicaragua will look like if we continue to do nothing. Cuba became a Soviet base gradually, over many years. There was no single, dramatic event—once the missile crisis

passed—that captured the Nation's attention. And so it will be with Nicaragua. The Sandinistas will widen and deepen another port while we debate: Is it for commercial vessels or Soviet submarines? The Sandinistas will complete another airstrip while we argue: Is it for 707's or Backfire bombers? A Soviet training brigade will come to Nicaragua. Half will leave and half will stay. And we will debate: Are they soldiers or engineers?

Eventually, we Americans have to stop arguing among ourselves. We will have to confront the reality of a Soviet military beachhead inside our defense perimeters, about 500 miles from Mexico. A future President and Congress will then face nothing but bad choices, followed by worse choices. My friends in the House, for over 200 years the security of the United States has depended on the safety of unthreatened borders, north and south. Do we want to be the first elected leaders in U.S. history to put our borders at risk? Some of you may say, well, this is fearmongering. Such a danger to our security will never come to pass. Well, perhaps it won't. But in making your decisions on my request for aid tomorrow, consider this: What are the consequences for our country if you're wrong?

I know some Members of Congress who share my concern about Nicaragua have honest questions about my request for aid to the democratic resistance. Let me try to address them. Do the freedom fighters have the support of the Nicaraguan people? I urge Members of the House to ask their colleague, the chairman of the House Armed Services Committee, who recently visited a town in Nicaragua that was a Sandinista stronghold during the revolution. He heard peasants, trade unionists, farmers, workers, students, and shopkeepers all call on the United States to aid the armed resistance. Or listen to the report from Time magazine of Central American scholar Robert Leiken, who once had hopes for the Sandinista revolution. He says, "I have gone to a number of towns in Nicaragua where I have found that the youth are simply not there. I ask the parents where they've gone, and they say, they've gone off to join the *contras*." In Managua, Leiken reports 250

Nicaraguans stood on a breadline for 3 hours. "Who is responsible for this?" he asked. "The Sandinistas are responsible. The Sandinistas." That's what the people said. "The Sandinistas," Leiken concluded, "have not only lost support, I think they are detested by the population."

Can the democratic forces win? Consider there are 20 times as many Nicaraguans fighting the Sandinista dictatorship today as there were Sandinista fighters a year before Somoza fell. This is the largest peasant army raised in Latin America in more than 50 years. And thousands more are waiting to volunteer if American support comes through. Some Members of Congress—and I know some of you—fear that military aid to the democratic resistance will be only the first step down the slippery slope toward another Vietnam. Now, I know those fears are honest, but think where we heard them before. Just a few years ago some argued in Congress that U.S. military aid to El Salvador would lead inevitably to the involvement of U.S. combat troops. But the opposite turned out to be true.

Had the United States failed to provide aid then, we might well be facing the final Communist takeover of El Salvador and mounting pressures to intervene. Instead, with our aid, the Government of El Salvador is winning the war, and there is no prospect whatever of American military involvement. El Salvador still faces serious problems that require our attention. But democracy there is stronger, and both the Communist guerrillas and the right-wing death squads are weaker. And Congress shares credit for that accomplishment. American aid and training is helping the Salvadoran Army become a professional fighting force, more respectful of human rights. With our aid, we can help the Nicaraguan resistance accomplish the same goal.

I stress this point because I know many Members of Congress and many Americans are deeply troubled by allegations of abuses by elements of the armed resistance. I share your concerns. Even though some of those charges are Sandinista propaganda, I believe such abuses have occurred in the past, and they are intolerable. As President, I repeat to you the commitments I made to Senator Sam Nunn. As a condition of our

aid, I will insist on civilian control over all military forces; that no human rights abuses are tolerated; that any financial corruption be rooted out; that American aid go only to those committed to democratic principles. The United States will not permit this democratic revolution to be betrayed nor allow a return to the hated repression of the Somoza dictatorship. The leadership of the United Nicaraguan Opposition shares these commitments, and I welcome the appointment of a bipartisan congressional commission to help us see that they are carried out.

Some ask: What are the goals of our policy toward Nicaragua? They are the goals the Nicaraguan people set for themselves in 1979: democracy, a free economy, and national self-determination. Clearly, the best way to achieve these goals is through a negotiated settlement. No humane person wants to see suffering and war. The leaders of the internal opposition and the Catholic Church have asked for dialog with the Sandinistas. The leaders of the armed resistance have called for a cease-fire and negotiations at any time, in any place. We urge the Sandinistas to heed the pleas of the Nicaraguan people for a peaceful settlement. The United States will support any negotiated settlement or Contadora treaty that will bring real democracy to Nicaragua. What we will not support is a paper agreement that sells out the Nicaraguan people's right to be free. That kind of agreement would be unworthy of us as a people; and it would be a false bargain, for internal freedom in Nicaragua and the security of Central America are indivisible. A free and democratic Nicaragua will pose no threat to its neighbors or to the United States. A Communist Nicaragua, allied with the Soviet Union, is a permanent threat to us all.

President Azcona of Honduras emphasized this point in a recent nationwide address: "As long as there is a totalitarian regime in Central America that has expansionist ambitions and is supported by an enormous military apparatus . . . the neighboring countries sharing common borders with the country that is the source of the problem will be under constant threat." If you doubt his warning, consider this: The

Sandinistas have already sent two groups of Communist guerrillas into Honduras. Costa Rican revolutionaries are already fighting alongside Sandinista troops.

My friends in the Congress, with democracy still a fragile root in Central America—with Mexico undergoing an economic crisis—can we responsibly ignore the long-term danger to American interests posed by a Communist Nicaragua, backed by the Soviet Union, and dedicated—in the words of its own leaders—to a “revolution without borders”? My friends, the only way to bring true peace and security to Central America is to bring democracy to Nicaragua. And the only way to get the Sandinistas to negotiate seriously about democracy is to give them no other alternative. Seven years of broken pledges, betrayals, and lies have taught us that.

And that’s why the measure the House will consider tomorrow—offered, I know, in good faith—which prohibits military aid for at least another 3 months, and perhaps forever, would be a tragic mistake. It would not bring the Sandinistas to the bargaining table—just the opposite. The bill, unless amended, would give the Sandinistas and the Soviet Union what they seek most: time—time to crush the democratic resistance; time to consolidate power. And it would send a demoralizing message to the democratic resistance that the United States is too divided and paralyzed to come to their aid in time.

Recently, I read the words of a leader of the internal democratic opposition. What he said made me feel ashamed. This man has been jailed, his property confiscated, and his life threatened by the security police. Still, he continues to fight. And he said: “You Americans have the strength, the opportunity, but not the will. We want to struggle, but it is dangerous to have friends like you—to be left stranded on the landing beaches of the Bay of Pigs. Either help us or leave us alone.” My friends in the House of Representatives, I urge you to send a message tomorrow to this brave Nicaraguan and thousands like him. Tell them it is not dangerous to have friends like us. Tell them America stands with those who stand in defense of freedom.

When the Senate voted earlier this year

for military aid, Republicans were joined by many Democratic leaders: Bill Bradley of New Jersey, Sam Nunn of Georgia, David Boren of Oklahoma, Howell Heflin of Alabama, Lloyd Bentsen of Texas, Bennett Johnston and Russell Long of Louisiana, Fritz Hollings of South Carolina, John Stennis of Mississippi, and Alan Dixon of Illinois. Today I ask the House for that kind of bipartisan support for the amendment to be offered tomorrow by Democrats Ike Skelton of Missouri and Richard Ray of Georgia and Republicans Mickey Edwards of Oklahoma and Rod Chandler of Washington. This bipartisan amendment will provide the freedom fighters with what they need—now. With that amendment, you also send another message to Central America. For democracy there faces many enemies: poverty, illiteracy, hunger, and despair. And the United States must also stand with the people of Central America against these enemies of democracy. And that’s why—just as Harry Truman followed his request for military aid to Greece and Turkey with the Marshall plan—I urge Congress to support \$300 million in new economic aid to the Central American democracies.

The question before the House is not only about the freedom of Nicaragua and the security of the United States but who we are as a people. President Kennedy wrote on the day of his death that history had called this generation of Americans to be “watchmen on the walls of world freedom.” A Republican President, Abraham Lincoln, said much the same thing on the way to his inauguration in 1861. Stopping in Philadelphia, Lincoln spoke in Independence Hall, where our Declaration of Independence had been signed. He said far more had been achieved in that hall than just American independence from Britain. Something permanent, something unalterable, had happened. He called it “Hope to the world for all future time.”

Hope to the world for all future time. In some way, every man, woman, and child in our world is tied to those events at Independence Hall, to the universal claim to dignity, to the belief that all human beings are created equal, that all people have a right to be free. We Americans have not

forgotten our revolutionary heritage, but sometimes it takes others to remind us of what we ourselves believe. Recently, I read the works of a Nicaraguan bishop, Pablo Vega, who visited Washington a few weeks ago. Somoza called Pablo Vega the "communist bishop." Now the Sandinistas revile him as "the *contra* bishop." But Pablo Vega is really a humble man of God. "I am saddened," the good bishop said, "that so many North Americans have a vision of democracy that has only to do with materialism." The Sandinistas "speak of human rights as if they were talking of the rights of a child—the right to receive from the bountifulness of the state—but even the humblest campesino knows what it means to have the right to act. We are defending," Pablo Vega said, "the right of man to be."

Well, reverend father, we hear you. For we Americans believe with you that even the humblest campesino has the right to be free. My fellow citizens, Members of the House, let us not take the path of least resistance in Central America again. Let us keep faith with these brave people struggling for their freedom. Give them, give me, your support; and together, let us send this message to the world: that America is still a beacon of hope, still a light unto the nations. A light that casts its glow across the land and our continent and even back across the centuries—keeping faith with a dream of long ago.

Thank you, and God bless you.

*Note: The President spoke at noon from the Oval Office at the White House.*

## Letter to the Speaker of the House of Representatives on United States Assistance for the Nicaraguan Democratic Resistance

June 24, 1986

*Dear Mr. Speaker:*

I am transmitting in writing my remarks that I had hoped to deliver to members of the House of Representatives today. It was my desire to speak directly to the members of the House of Representatives to emphasize the importance of achieving a bipartisan approach to address the urgent question of providing assistance to the freedom fighters in Nicaragua.

Earlier this year the Senate passed a bipartisan program of assistance to keep the hope of democracy alive in Nicaragua. In the House of Representatives many members of both political parties have worked together in support of a program that would promote democracy in Central America and to resolve the internal conflict in Nicaragua.

This program is embodied in the Skelton-Edwards-Ray-Chandler amendment to the Military Construction Appropriations bill

and provides a balanced package of immediate humanitarian and military aid essential to the freedom fighters in Nicaragua. The amendment also provides much needed additional economic assistance to the neighboring democracies of El Salvador, Honduras, Guatemala, and Costa Rica.

It is imperative to our own national security and in the interest of long-term stability in our hemisphere that we support the forces of democracy in Central America.

It is my hope that this message will be received by members of the House in the bipartisan spirit in which it is sent.

Sincerely,

/s/ RONALD REAGAN

*Note: The original, which was sent to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, was not available for verification of the content of this letter.*

## Message to the Congress Reporting Budget Deferrals *June 24, 1986*

*To the Congress of the United States:*

In accordance with the Impoundment Control Act of 1974, I herewith report four new deferrals of budget authority totaling \$46,424,273.

The details of these deferrals are contained in the attached report.

RONALD REAGAN

The White House,  
June 24, 1986.

*Note: The attachment detailing the deferrals was printed in the "Federal Register" of July 8.*

## Statement on Senate Action on the Tax Reform Bill *June 24, 1986*

This is a great day for America. The Senate has voted on tax reform, and the score is: taxpayers, 1; special interests, nothing. The Cinderella team came out on top. As it was said once of another underdog: "You gotta believe!" And believe we did.

When this administration first set out in 1984 to overhaul our nation's tax system, skeptics laughed. Well, it's nice to prove the skeptics wrong, but it's even nicer to see the American taxpayer win one for a change. And today the American taxpayer has won—and won big. Talk about the thrill of victory! The Senate overwhelmingly passed the most sweeping piece of tax reform legislation in our nation's history. They labored long and hard on the bill, and it's been worth every second of time and every ounce of effort. They deserve the heartfelt thanks of our nation. So, let me say right here to every Senator who worked and voted to give America the kind of tax reform we deserve: Congratulations on a job superbly done!

This Senate bill is visionary in its scope and revolutionary in its implications. It is a dramatic break with an antiquated and unfair tax system that had become laced with special favors, tangled in needless complexities, and burdened by growth-kill-

ing tax rates. And it is a breakthrough into a new era of fairness and economic growth. With this bill, we stand on the threshold of a renaissance of business starts and revved-up job creation—a new age of opportunity that will reach out to embrace all Americans. Building on the momentum begun in the House of Representatives, the Senate gathered an overwhelming consensus for tax reform with lower, flatter rates. Fifteen and 27 percent rates for individuals and a 33-percent top rate for corporations were the magic numbers that swept aside the opposition of the special interests and paved the way for the triumph of the one interest that really matters—the public interest, America's interest.

Now the Senate and House conferees, under the leadership of their chairmen, Bob Packwood and Dan Rostenkowski, will meet to hammer out the differences between their two bills. I believe the rates in the Senate bill should be preserved; and it is my hope that the positive features of both bills will be reconciled in such a way as to preserve the important principles of fairness, simplicity, tax rate reductions, and growth. Then we can all take our vacations this summer looking forward to the low rates of the Senate bill and a fairer, simpler, profamily tax system for all.

## Proclamation 5506—National Homelessness Awareness Week, 1986 June 25, 1986

*By the President of the United States  
of America*

### *A Proclamation*

Since our days as a young nation, the American people have always banded together to meet the needs of our citizens and our communities. Awareness, generosity, and the determination to find solutions to community problems are traits that have long kept our country strong. We have always been a people who give of ourselves to help those less fortunate in a way that no government or institution by itself can.

Prevention of homelessness is a complex challenge that faces us today. Although estimates of the exact number of homeless vary widely, innovative approaches to this problem by all elements of our society are needed. And in few other areas has each segment of our society been so involved, with so much dedication and sacrifice. Federal, State, and local governments, national service organizations, corporations, churches, synagogues, and voluntary groups, over the years, have worked together to provide food, shelter, and comfort for the needy.

Now, I call upon all Americans to come together in partnership and resolve to in-

vigorate their commitment to reach out to their fellow Americans in need. Let us all experience the blessings of compassion and goodwill that come from the joy of helping others.

To increase public awareness of the problem of homelessness, the Congress, by Senate Joint Resolution 347, has designated the week beginning June 22, 1986, as "National Homelessness Awareness Week" and authorized and requested the President to issue a proclamation in observance of this event.

*Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning June 22, 1986, as National Homelessness Awareness Week.*

*In Witness Whereof, I have hereunto set my hand this twenty-fifth day of June, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and tenth.*

RONALD REAGAN

*[Filed with the Office of the Federal Register, 10:09 a.m., June 26, 1986]*

## Statement on House of Representatives Approval of United States Assistance for the Nicaraguan Democratic Resistance June 25, 1986

The vote today in the House of Representatives signals a step forward in bipartisan consensus in American foreign policy. I want to congratulate all those who voted to restore this spirit of bipartisan cooperation on foreign policy issues. Once again members of both parties stand united in resisting totalitarian expansionism and promoting the cause of democracy.

As we approach the celebration of our own Independence Day, we can be proud that we as a people have embraced the

struggle of the freedom fighters of Nicaragua. Today their cause is our cause. With our help, the people of Nicaragua will win their struggle to bring democracy to their land, remove the threat to neighboring countries and to our own security, and restore again the prospects of peace—and the chance for a better future—to our hemisphere.

Moreover, with additional aid, we have offered the people of Central America hope for the future so that their democratic aspi-



rations can indeed be achieved. The cause is freedom, the cause is just, the cause will

triumph. Again, my thanks to all those who labored so hard on this legislation.

## Remarks on Arrival in Las Vegas, Nevada *June 25, 1986*

Well, thank you all very much for a very warm greeting. And I happen to have a hunch that a great many of you are out here because you are supporters of a fellow named Jim Santini. And, therefore, all I'll say to you is thank you again for this greeting, which I'm sharing with him and his lovely wife. And I think now maybe you'd like to have Jim Santini say hello to you. And I'll let him do that if you promise me

that you'll send him right out of Nevada come November and send him to Washington, DC.

*Note: The President spoke at 5:07 p.m. at McCarran International Airport. Following his remarks, he went to the Las Vegas Hilton Hotel. A tape was not available for verification of the content of these remarks.*

## Remarks at a Senate Campaign Fundraising Dinner for Jim Santini in Las Vegas, Nevada *June 25, 1986*

Thank you very much. And, Jim, thank you. And won't you all please be seated. You know, I'm—I know I'm a little late—about 24 hours late. *[Laughter]* A funny thing happened to me on the way to Nevada. *[Laughter]* We had to tend to the Nation's business, and that meant helping the freedom fighters and trying to restore the bipartisan coalition on foreign policy. And let me tell you right now that it's situations like this one that we just saw in Washington that make it so obvious why we need Jim Santini in the Senate.

Now, I imagine you're all well aware that the problem confronting us, and that caused the 24-hour delay, had to do with an amendment to a military construction bill, and the amendment that they were going to try to put on that bill was one that called for aid to the *contras* and to our other allied states down there in Central America. And the vote has just taken place a short time ago. And on the amendment—now there must be a vote on the entire bill and so forth. But the vote was 221 to 209 in favor of the aid to the *contras*. Now, as I say, it's

only round one, but, oh boy, what a round! We've got several more votes tonight, so we can't quit yet. There are going to be attempts at other amendments, which I hope they'll get through with very quickly, but it does represent a giant bipartisan effort. We hope that our coalition will hold together for the rest of the amendments tonight and we can get the freedom fighters in Nicaragua the assistance that they desperately need.

Well, it's wonderful to be in Nevada again. It's difficult for me to visit this city without remembering what seems now like another lifetime, when my name was one of those listed on the neon signs outside a major hotel. I came on after dinner, back then. *[Laughter]* Actually, I could kind of correct that—you came on during dinner. And, you know, on other shows or the second show—and some of the people might laugh when you said something funny, but in the dinner show, they kind of—with their mouth full—wave with their fork. *[Laughter]* But for those of you who are too young to remember those days, let

me explain that I didn't sing or dance, which prompted some to predict that I'd never play Las Vegas again. *[Laughter]* And what do you know? Here I am and playing to a full house. *[Laughter]* Much has changed since those days. For one thing, I'm a Republican now. *[Laughter]*

Tonight we're here to honor and show our support for someone who also made the switch and joined the Republican ranks, and his name is Jim Santini. When he and I met in the Oval Office several months ago to discuss his making this race, I urged him to run and told him I'd do everything I could to help, because Jim's election is vital on a number of counts. By getting behind his candidacy, we're sending a message to those many members of the other party who've been voting Republican all these years yet can't get themselves quite ready to reregister. We not only want them to switch labels, we want them to get involved, to be a part of the team, and to utilize their skills and talents. And if that means running for office—terrific.

Take it from me, it's no easy affair to reregister, even after years of supporting what are clearly Republican goals. It takes time for it to dawn on people that changing their party affiliation is not changing their principles. They are, in principle, already Republicans. Winston Churchill, that great hero of World War II, in England—Winston Churchill changed parties. And he made this comment, and it's very appropriate tonight. He said, "Some people change principle for party and some change party for principle." And that is especially true in Jim's case. No one should ever forget he was one of the members of the other party who provided us with the margin we needed when our economic recovery package passed the House in 1981. And he helped me even though the House Democratic leadership put extreme pressure on him to vote against those 1981 tax cuts.

During his years in the House, Jim represented Nevada well. He supported responsible economic policies and pushed for a strong national defense. And, Jim, I think you'll agree with me: We didn't leave the Democratic Party; it left us. And seriously—and I know there are many of you here still aligned with that party, but I would like to

just say one thing: My first vote for President in 1932 was for Franklin Delano Roosevelt. And I was a diehard Democrat and supported him; I voted for him four times. But the Democratic platform in 1932 called for a 25-percent cut in the cost of government, the elimination of useless boards and commissions, and the return to States and local communities of the autonomy and authority that had been unjustly seized by the Federal Government. I want you to ask yourselves which party could run on that platform today. No, the party did leave us, because I still go for that kind of a platform and I know Jim does, too.

Earlier this month I visited some young marines going through boot camp in—well, I was first of all, before I say that I want to tell you that one of the most heartening trends, I think, are the young people. And God love them, they're with us. I've seen them all over the country, and just a few days ago I was at a high school in New Jersey. And the energy and optimism of this generation is infectious. And then, I tell you, earlier this month I visited some young marines going through boot camp in Parris Island, South Carolina. And they are really great. Their commanding officer, a general, will be retiring at the end of the month. And he told me that in all his years in the military, he has never seen young people of greater quality than those that are in the uniform today. And I found myself remembering—and if you'll permit me to use a bit of profanity, but I'm quoting accurately—back in World War II someone asked General George Marshall if we had a secret weapon, and he said, "Yes, the best damn kids in the world." Well, I can tell you, after what I've seen of today's youth and those in uniform today, the Commander in Chief can say the same thing that George Marshall said, and I do say it about those young people of ours. There's never been a higher quality in our military than we're seeing today.

And a majority of today's young voters identify with our goals and our ideals, and why shouldn't they? Let others advocate more bureaucracy and higher taxes. We'll march under the banner of opportunity and more take-home pay. Let the other party

stick with the policies that created inflation and stagnation. We delivered stable prices and high growth. And let the others keep trying to cut defense. We'll hold firm to our support for a strong, secure America. You know, if I would have been a young person of today, rather than during the Great Depression, I guess I wouldn't have been a Democrat in the first place. Right? [*Laughter*] In the upcoming election, I think we've got to do our utmost to mobilize these young supporters. And this election will be vital to everything we've fought for in the past. It will determine control of the United States Senate.

And without a Republican Senate, we would never have been able to accomplish what we have. So, don't let anyone forget, when the people of Nevada vote this November, they will be selecting the best person to represent them. For that reason alone, Santini is the one. But they also will be determining whether the big spenders and big taxers retake the reins of power in the United States Senate. A vote for Santini is a vote for a United States Senate that will keep America moving forward, rather than trying to pull us back to inflation, stagnation, and pessimism. It's a vote to keep the revolution—I've been tagged with it, that this was what I was doing—and keep it on track. Well, rather than to derail it for these last few years in office, I'll be very pleased, if it's a revolution, if we can keep it going. And I believe you want to help us. Am I right? [*Applause*]

We have tremendous opportunities ahead in these next few years; one example is the tax bill we've been working on for so long. Only a short time ago tax reform was declared dead, yet we stayed with it. We knew we were on the edge of an historic overhaul of the tax code. The Senate bill will simplify the system—it will bring down the number of rates from 14 to only 2—and will make it more fair. And it doesn't take an M.B.A. to figure out there are inexcusable inequities in a system that allows two neighbors earning about the same income to bear dramatically different tax burdens. And that breeds cynicism and disrespect for the law. It's even worse in business. How does a corporate executive feel about his heavy taxload when he finds out his compe-

tition is legally paying tax next to nothing? The Senate proposal will cut out many of the loopholes, but it will bring down the rates, also. And most Americans will enjoy a reduction of their total tax obligation. Less fortunate Americans will pay zero income tax. Maybe we should start saying we've got 3 brackets—zero, 15, and 27. Those people at the bottom of the scale will be taken off the rolls altogether.

And with the reforms early on in the administration, we've ushered in 3½ years of growth and stability of which we can all be proud. Yes, the American people are better off, but they're better off—and I would say—because of what we've done. But let me tell you, you're better off because of yourselves. Because, really, all we did was get government out of the way and turn you loose to do the things you can do so well. But when I use that word "we" that includes Jim Santini; because, even as a Democrat, he was on our side with things such as that.

I told some of you earlier, I'm serving in the allergy capital of the world—not here, Washington, DC. [*Laughter*]

But now is the time for another push forward, a step up to the next plateau. The tax reform program proposed by the Senate would catapult America into a new era of enterprise and opportunity. My Council of Economic Advisers tells me it could increase our country's growth rate by nearly 10 percent over the next decade. To put that in dollars and cents, it could mean as much as \$600 to \$900 more in new, real income to each household each year. It could create as many as 4 million new jobs. And is that worth it? You bet it is! Well, yesterday the Senate acted on this bill. And as I've said, I'm delighted to tell you the Cinderella team came out on top. The tax reformers and the taxpayers won, and the special interests lost.

The Senate labored long and hard on the bill, and it's been worth every second of time and every ounce of effort. They deserve the heartfelt thanks of our nation. So, let me say right here to every Senator who worked and voted to give America the kind of tax reform we deserve: Congratulations on a job superbly done! And two of those

Senators are here tonight. Now the Senate and House conferees, under the leadership of their chairmen, Bob Packwood and Dan Rostenkowski, will meet to hammer out the differences between their two bills. I believe the rates in the Senate bill should be preserved; and it's my hope that the positive features of both bills will be reconciled in such a way as to preserve the important principles of fairness, simplicity, tax rate reductions, and growth. Then we can all take our vacations this summer looking forward to the low rates of the Senate bill and a fairer, simpler, profamily tax system for everyone. It's a great day for America.

Now, in the next 2 years, we'll be laying the foundation for the future of those young people I spoke about a few moments ago. Just last week I announced a new appointment to the Supreme Court. He's a man we can all be proud of. Appointments to the bench are for life. America needs judges of integrity, men and women who will be tough on criminals because they fully understand that the job of the judicial system is protecting the innocent and putting the guilty where they belong—behind bars. Of course, that's another good reason to send Jim Santini to the Senate and to keep that body in Republican hands. Jim can be counted on to work with us and support, rather than undermine, our efforts to put judges on the Court that we can trust. We need a person like that in the United States Senate, the body which must confirm judicial appointments.

And while we're talking about Jim's record, one of the accomplishments of which Jim is most proud is an issue of great concern to Nevadans. Jim was instrumental in ensuring that the States are provided with a chance to veto any nuclear waste repository site selected by the Department of Energy. The issue of nuclear waste is important to all of us, to the whole country. It is not and will not be handled in an arbitrary or political fashion. What we must do is reject those who would politicize this issue, those who would make political gain for themselves at their country's expense. I've always been a firm believer in States rights and local control, and that's why I'm proud of Jim Santini for giving the State a voice in this particular matter. We haven't

taken this great responsibility lightly. The Federal Government was required by law to narrow the number of States down to three in order to fully study the matter. I will not even be President in 1992 when the final recommendations are expected, but I can assure you and the people of Nevada: I'll never do anything that is not totally safe, and that will be true for any President—Republican or Democrat—who follows me.

I recognize that this is a very controversial process and that there are sincere differences of opinion about certain provisions of the Nuclear Waste Policy Act. The State of Nevada has begun legal proceedings questioning the process the Department of Energy has used in selecting the three sites for further analysis. Now that it's in the courts, it will be up to them to judge the appropriateness of this process. And I'm confident that this will provide an equitable resolution of this matter.

These are the types of issues that require leadership and, I must tell you, Nevada has an abundance of this invaluable resource. I'm sure you're aware of all that Frank Fahrenkopf has done for the Republican Party here in Nevada and nationwide. And Chic Hecht is doing a tremendous job in Washington. In the House, Barbara Vucanovich is doing you proud. She is truly an inspiration. And she would have been here, and was supposed to be here with us this evening, but she was back in Washington today because we didn't know all day long how that vote was going to come out, and she was fighting the good fight for the cause of freedom. And, believe me, her President and the people of Nevada salute her. You know, I was almost—that's 221 to 9 [209]. But I was thinking to myself, wouldn't it be something if I could stand up here and we'd won by 1 vote, and you could say she was the margin, she was the difference. *[Laughter]* Well, there are pressures in Washington that make a Las Vegas crap table look like an oasis of calm. *[Laughter]* But through it all, Barbara keeps cool and on target, and we love her in DC. So send her back!

And finally, you've got the fellow who I've saved for last. I've known Paul Laxalt since the days when we were Governors of

neighboring States. And the friendship we've built over these many years has carried me through many rough times. He has always been a man to whom I could turn. Paul is leaving the Senate, and when he tells me some of his plans about riding trips in the High Sierras, I'm a bit envious. But I'll get there, Paul. It'll just take a couple of more years. [Laughter] And, seriously, I want to thank Nevada for Paul Laxalt.

You know, people have many misconceptions about Nevada, and especially Las Vegas. The images of gambling and casinos; yet this is also one of the most naturally beautiful States in the Union. Within a short distance from here there stands magnificent Mount Charleston, with all its strength and grandeur set against the western sky. There are the pine forests and rivers, spectacular scenery. There's the brilliance of Red Rock Canyon and the Valley of Fire and the cool, deep blue of Lake Meade—and we just came over that and were pressing our noses to the windows of Air Force One looking at it as we went over. What I'm talking about is the soul, the inspiration of Nevada, the home of great people in the land of the brave and the free.

I just want to add one thing here. In a campaign like this—Jim stepping forward to

replace who has truly been a great Senator—and there are going to be people that are going to talk about the checks and balances in our system. And as long as you have Chic Hecht, shouldn't you perhaps have then a balance, someone from the other party and other side? That is not the way the checks and balances are supposed to work. The two Senators represent a State. I say that it makes great, good common sense to send two Senators of similar views there and not send a Senator there who will simply cancel the vote of Chic Hecht on the things that you sent him there to do. So, I know what you're going to do; and again, as I say, I'm deeply indebted to you, and the country will be also, for what you're going to do.

Thank you all for this wonderful turnout, and God bless you all. Thank you.

*Note: The President spoke at 6:13 p.m. in Ballrooms B and C at the Las Vegas Hilton Hotel. He was introduced by Mr. Santini. Prior to his remarks, the President attended a reception for major donors to the Santini for Senate campaign at the hotel. Following his remarks, he traveled to his ranch in Santa Barbara County, CA. A tape was not available for verification of the content of these remarks.*

## Statement on the Soviet-United States Nuclear and Space Arms Negotiations

June 26, 1986

Today marks the close of round five in the U.S. and Soviet nuclear and space talks in Geneva (NST). The U.S. goal in these negotiations is to obtain Soviet agreement to deep, equitable, and effectively verifiable reductions in the nuclear arsenals of the U.S. and the Soviet Union in a manner that strengthens strategic stability.

For the past 7 weeks, the U.S. negotiating team in Geneva has worked hard in pursuit of this goal by explaining and elaborating on the concrete proposals which the U.S. is offering in all three areas of these negotiations. These U.S. proposals include:

—In the strategic arms (START) negotiating group, a formula for equitable and verifiable reductions of 50 percent in offensive nuclear forces;

—In the intermediate nuclear forces (INF) negotiating group, a concrete, phased approach for eliminating the entire class of U.S. and Soviet land-based INF missiles;

—In the defense and space group, an offer to engage in a dialog on managing the transition to a more stable basis for deterrence through increased reliance on defensive systems, rather than offensive nuclear arms, and an "open laboratories" initiative

to assure each side of the defensive nature of the other side's strategic defense research.

The American negotiators have presented these proposals in the spirit of last November's Geneva summit. At the summit, General Secretary Gorbachev and I promised to seek 50-percent reductions in offensive nuclear arms, appropriately applied, as well as an interim INF agreement. Much to our disappointment, until recently the Soviets have shown no interest in seriously following up at the negotiating table. In the past 2 weeks, however, the Soviet negotiators at Geneva have tabled new proposals. I am hopeful that these proposals signal the beginning of a serious Soviet effort to join with us in actually reducing offensive nuclear arms. If the Soviet Union is now genuinely seeking progress, we may have reached a turning point in our efforts to build a safer and more peaceful world. I deeply hope that this is indeed the case.

We approach these negotiations with realism and determination. While we clearly

cannot accept these Soviet proposals without changes, we are studying Soviet ideas on reductions very carefully to see how they might help to move us toward our goal of deep, equitable, and verifiable arms cuts. At the same time, we believe that if progress can be made in one of the three NST negotiating areas, it should not be held up—as the Soviets are still insisting—pending agreement in another area.

We know there is much hard bargaining ahead, but for our part, the United States is determined to do everything we can to achieve these deep reductions. If recent events indicate that the Soviet Union is now ready to work together with us in this urgent endeavor, we can begin now to ensure a safer and more stable peace for future generations.

*Note Larry M. Speakes, Principal Deputy Press Secretary to the President, read the statement to reporters at 10:32 a.m. in the Vista Mar Monte Room at the Sheraton Santa Barbara in California.*

## Statement by Principal Deputy Press Secretary Speakes on Congressional Action on the Fiscal Year 1987 Budget *June 26, 1986*

The conference agreement on the budget resolution would alter the President's priorities. For example, it cuts too much from defense and international affairs in fiscal year 1987 and is way too limiting in the outyears. Moreover, it increases domestic spending by more than the President recommended. However, the conference report does not call for a tax increase as did both earlier resolutions. While the President

reserves judgment on individual authorization and appropriation bills and the use of the special reserve fund, he nevertheless finds the overall conference agreement generally acceptable and commends the conferees for their efforts in producing a report that meets the fiscal year 1987 deficit-reduction target of Gramm-Rudman-Hollings.

## Appendix A—Digest of Other White House Announcements

*The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this book.*

### January 2

The President and Mrs. Reagan left the home of Walter and Lenore Annenberg in Palm Springs, CA, and went to Los Angeles, where they stayed at the Century Plaza Hotel overnight.

### January 3

President Reagan traveled to Mexicali, Mexico, for a meeting with President Miguel De la Madrid Hurtado. Following the meeting, President Reagan returned to Washington, DC.

### January 6

The President met at the White House with:

- members of the White House staff;
- Ezra Taft Benson, new president of the Church of Jesus Christ of Latter-day Saints.

### January 7

The President met at the White House with members of the White House staff.

### January 8

The President met at the White House with:

- members of the White House staff;
- Drew Lewis, the President's Special Envoy to the U.S.-Canada Consultations on Acid Rain, to receive the report on the acid rain study.

### January 9

The President met at the White House with:

- members of the White House staff;
- John Rousselot, chairman of the U.S. section of the Permanent Joint Board of Defense—U.S. and Canada;
- the leadership of the Asian American Voters Coalition;
- Representatives Bill Hendon of North Carolina and Robert C. Smith of New Hampshire, to discuss the issue of Vietnam-era MIA's and POW's;
- the Vice President, for lunch;
- Representative Frank R. Wolf of Virginia and Elizabeth Brinton, who sold the first box of Girl Scout cookies for 1986 to the President.

### January 10

The President met at the White House with:

- members of the White House staff;
- Japanese Minister of Foreign Affairs Shintaro Abe;
- Secretary of State George P. Shultz.

The President designated the members of the United States delegation to attend the inauguration of His Excellency Vinicio Cerezo Arévalo as President of the Republic of Guatemala, scheduled to be held in Guatemala from January 13 through January 15:

*Personal Representative of the President to head the delegation:*

*George Bush*, Vice President of the United States of America

*Representatives of the President, with the rank of Special Ambassador:*

*Alberto M. Piedra*, United States Ambassador to the Republic of Guatemala

*Richard G. Lugar*, United States Senator from the State of Indiana

*Benjamin A. Gilman*, United States Representative from the State of New York

*Craig L. Fuller*, Chief of Staff to the Vice President of the United States of America

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

### January 12

The President returned to the White House from Camp David, MD.

### January 13

The President met at the White House with:

- members of the White House staff;
- Glamour magazine's 10 outstanding working women;
- founding members of Citizens for America, for lunch;
- the Council for a Black Economic Agenda.

### January 14

The President met at the White House with:

- members of the White House staff;
- National Geographic Society President Gilbert M. Grosvenor; Dennis B. Kane, vice president—television and educational films; and artist John Barber, to discuss the 20th anniversary of National Geographic televi-

## *Appendix A / Administration of Ronald Reagan, 1986*

sion specials and to present the President with a painting;

- Judge Irving R. Kaufman, Chairman of the President's Commission on Organized Crime, to receive an interim report on the Commission's findings.

The White House announced that the President designated Loren A. Smith as Chief Judge of the United States Claims Court.

### *January 15*

- The President met at the White House with:
- members of the White House staff;
  - Deputy Secretary of State John C. Whitehead, to discuss the Deputy Secretary's upcoming consultations with our allies on the Libyan economic sanctions and counterterrorism policies;
  - Secretary of State George P. Shultz.

### *January 16*

- The President met at the White House with:
- members of the White House staff;
  - Assistant Secretary of State Paul D. Wolfowitz, Richard Childress of the National Security Council, and Ann Mills Griffiths, executive director of the National League of Families, who reported on the MIA negotiations with Vietnam in Hanoi;
  - the Vice President, for lunch;
  - the Cabinet, to discuss the 1987 Federal budget;
  - Supreme Court Chief Justice Warren E. Burger, to discuss the Commission on the Bicentennial of the U.S. Constitution;
  - Mrs. Coretta Scott King.

In the morning, the President participated in the kickoff ceremony for the Child Safety Partnership in the Cabinet Room at the White House.

In the afternoon, the President presented representatives of the U.S. Air Force Academy with the Commander in Chief Award in the Oval Office at the White House, in recognition of the Academy's football record.

### *January 17*

The President met with the American Legislative Exchange Council in Room 450 of the Old Executive Office Building.

The White House announced that the President underwent a routine postoperative examination at Bethesda Naval Medical Center in the afternoon. Included in the examination were blood tests, x rays, a CAT scan, and colonoscopy. During the colonoscopy, three very small polyps (1 mm–2 mm in size) were removed. They were evaluated by the doctors as clinically benign; however, they will undergo standard laboratory evaluation. In addition, although clinically evaluated as benign, as a precaution a shaved biopsy

was taken of a tiny papule on the right side of his face. Final results of these tests will be released as soon as they are available. The results of all other tests and examinations were normal and revealed no evidence of any disease. All indications are that when the lab results are complete they will confirm the President to be in excellent health.

Following the examination, the President went to Camp David, MD, for a weekend stay.

### *January 18*

The White House announced that final laboratory evaluation of the three intestinal polyps and facial tissue removed from the President yesterday had been completed and all were benign. The President was informed of the results by his physician at Camp David this morning.

### *January 19*

The President returned to the White House from Camp David, MD.

### *January 21*

- The President met at the White House with:
- the Republican congressional leadership;
  - James D. Robinson III, chairman of the United Way of America.

In the evening, the President went to the National Building Museum to attend the Republican Eagles dinner.

### *January 22*

- The President met at the White House with:
- Republican Senators;
  - Japanese Minister of Finance Noboru Takeshita, to discuss economic and trade issues;
  - Secretary of State George P. Shultz;
  - leaders of prolife organizations.

The President transmitted to the Congress the seventh annual report of the National Science Board.

### *January 23*

- The President met at the White House with:
- Republican Senators, to discuss the legislative agenda;
  - members of the White House staff;
  - the President's Economic Policy Advisory Board, to discuss 1986 economic projections and the budget process;
  - the Vice President, for lunch;
  - the Cabinet, for a preview of the budget, the State of the Union Address, and the economic report;
  - corporate chief executive officers, to discuss the 1987 budget;
  - winners of the International Youth Skill Olympics;
  - Al and Bobby Unser, NASCAR race drivers.



The President attended a reception for the Republican National Committee in the Residence.

The President announced the following individuals as part of the official delegation accompanying the Vice President to the January 27 inauguration of the newly elected President of Honduras, José Azcona Hoyo:

*United States Ambassador John A. Ferch*

*Senator Daniel J. Evans*

*Senator Claiborne Pell*

*Representative Dick Cheney*

*Representative Dave McCurdy*

*Assistant Secretary of State for Inter-American Affairs Elliott Abrams*

*Eduardo Bernaldez*, president of the American G.I. Forum

*Nolan Ryan* of the Houston Astros

*Gary Carter* of the New York Mets

The President announced his intention to appoint Anthony J. Calio, Administrator of the National Oceanic and Atmospheric Administration, Department of Commerce, to be United States Commissioner on the International Whaling Commission. He will succeed John V. Byrne.

#### January 24

The President met at the White House with:

- Republican Senators;
- members of the White House staff;
- Senator Bob Packwood of Oregon;
- Republican mayors and municipal elected officials;
- Secretary of State George P. Shultz.

The President announced his intention to appoint Terrence M. Scanlon, Commissioner of the Consumer Product Safety Commission, to be a member of the National Commission on Innovation and Productivity. This is a new position.

#### January 27

The President met at the White House with:

- members of the White House staff;
- chief corporate executive officers, to discuss the 1987 fiscal year budget.

The President transmitted to the Congress the 15th annual report on hazardous materials transportation for calendar year 1984.

#### January 28

The President met at the White House with:

- members of the White House staff;
- congressional leaders.

The White House announced that the President, in response to the tragedy of the space shuttle mission and upon conferring with the leadership of the Congress, decided to postpone his State of the Union Address. The President asked the Vice President to go to Cape Canaveral's Kennedy Space Center to convey the President's personal concern for those affected by the

tragedy. The President also instructed Acting NASA Director William R. Graham to go to Cape Canaveral to begin the investigation of the cause of the destruction of the *Challenger*.

#### January 29

The President met at the White House with:

- members of the White House staff;
- the Vice President, who reported on his trip to Cape Canaveral's Kennedy Space Center;
- Presidential representatives to discuss the Tokyo Economic Summit.

Throughout the day, the President telephoned the families of the crew of the *Challenger* to express his condolences.

#### January 30

The President met at the White House with:

- Republican Congressmen;
- Dr. Jonas Savimbi, president of the National Union for the Total Independence of Angola (UNITA), to discuss the situation in Angola;
- the Vice President, for lunch;
- a citizens' group, to discuss the budget.

#### January 31

After attending the memorial service for the crew of the *Challenger* at the Johnson Space Center in Houston, TX, the President went to Camp David, MD, for a weekend stay.

#### February 1

The President announced the following individuals have agreed to serve as members of the Presidential Observer Delegation to the Philippine Presidential Election:

##### Members of Congress:

*Senator Richard G. Lugar (R-IN)*, Cochairman  
*Representative John P. Murtha (D-PA)*, Cochairman  
*Senator Thad Cochran (R-MS)*  
*Senator John F. Kerry (D-MA)*  
*Representative Bob Livingston (R-LA)*  
*Representative Bernard J. Dwyer (D-NJ)*  
*Representative Samuel S. Stratton (D-NY)*  
*Representative Jerry Lewis (R-CA)*

##### Private Sector:

*Allen Weinstein*, president of the Center for Democracy  
*Admiral Robert Long*, USN (Ret.), Washington, DC  
*Norma Paulus*, former secretary of state of Oregon  
*Jack Brier*, secretary of state of Kansas  
*Fred Fielding*, Counsel to the President  
*Larry Niksch*, Director of Asian Affairs, Congressional Research Service  
*Natalie Meyer*, secretary of state of Colorado  
*Mortimer Zuckerman*, publisher, U.S. News and World Report  
*Ben Wattenberg*, American Enterprise Institute  
*Van P. Smith*, former president, U.S. Chamber of Commerce

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Bishop Adam Mida, Green Bay, WI

### February 3

The President met at the White House with:

- members of the White House staff;
- Presidential appointees, to discuss the fiscal year 1987 budget and the state of the Union;
- representatives of the Boy Scouts of America, to present their annual report;
- chief corporate executive officers, to discuss the fiscal year 1987 budget and the state of the Union.

The President announced that Senator Frank H. Murkowski (R-AK) will serve as a member of the Presidential Observer Delegation to the Philippine Presidential Election.

The White House announced that the President designated Anthony G. Sousa to be Acting Chairman of the Federal Energy Regulatory Commission, effective February 1. Mr. Sousa has been a member of the Commission since July 28, 1981.

The White House announced that the President requested the Congress to provide additional authority to enable the Department of Agriculture's Commodity Credit Corporation to borrow sufficient funds from the Treasury to meet its program obligations through fiscal year 1986.

### February 4

The President met at the White House with members of the White House staff.

The President transmitted to the Congress the fourth annual report of the Tourism Policy Council covering fiscal year 1985.

### February 5

The President met at the White House with:

- members of the White House staff;
- Johannes Rau, Prime Minister of North Rhine-Westphalia, Federal Republic of Germany, and vice chairman of the Social Democratic Party.

### February 6

The President met at the White House with the Vice President, for lunch.

The White House announced that the President was presented with a crystal replica of the Statue of Liberty. The replica was presented by Emmanuel de Margerie, French Ambassador to the United States. Accompanying the Ambassador were Francois de Laboulaye, former Ambassador to the United States; Catherine Deneuve; and Jean-Louis Beffa, President of Saint-Gobain, the company that manufactured the crystal statue. The President said he was looking forward to attending the 4th of July ceremonies in New York commemorating the 100th anniversary of the gift of the Statue of Liberty to the United

States and invited the President of France to attend the ceremonies.

### February 7

The President met at the White House with:

- participants of the Hearst Senate Youth Program;
- Bali Ram Bhagat, Indian Minister of External Affairs;
- Secretary of State George P. Shultz.

The White House announced that the President presented Rex Scouten with the President's Award for Distinguished Federal Civilian Service.

### February 10

The President met at the White House with:

- members of the White House staff;
- David Packard, Chairman of the President's Blue Ribbon Commission on Defense Management, to receive an update on the Commission's work.

The President sent a written message to the Klinghoffer family, expressing his condolences on the death of Marilyn Klinghoffer, whose husband was killed in the *Achille Lauro* hijacking incident.

### February 11

The President met at the White House with:

- members of the White House staff;
- Senator Richard G. Lugar of Indiana and Representative John P. Murtha of Pennsylvania, Cochairmen of the Presidential Observer Delegation to the Philippine Presidential Election, to discuss the delegation's findings;
- the Economic Policy Council, to discuss a textile proposal for the Caribbean, the sugar program, and the export enhancement provisions of the farm bill;
- Donna Ashlock, a 14-year-old heart transplant recipient.

In the afternoon, the President attended a farewell reception for Secretary of Agriculture John R. Block in the Roosevelt Room at the White House.

### February 12

In the morning, the President left the White House for a trip to St. Louis, MO, and California.

### February 13

The White House announced that President Reagan has invited President Paul Biya of the Republic of Cameroon to make an official working visit to the United States. President Biya has accepted the invitation and will meet with President Reagan at the White House on February 27.

**February 14**

The White House announced that Allen Weinstein, head of the Center for Democracy and a member of the Presidential Observer Delegation to the Philippine Presidential Election, is returning to that country to gather additional information for the delegation's final report.

**February 15**

The President returned to Washington, DC, from his ranch in Santa Barbara County, CA.

The President declared a major disaster for the State of Washington as a result of severe storms, landslides, and flooding, which caused extensive damage.

**February 18**

The President met at the White House with:

- members of the White House staff;
- the Domestic Policy Council, to discuss trade policy;
- Members of the Senate, to discuss United States assistance for the Nicaraguan democratic resistance.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Kyung-Won Kim of the Republic of Korea, Soesilo Soedarman of Indonesia, Herman Dehennin of Belgium, Arnold Halfhide of Suriname, and Bishwa Pradhan of Nepal.

The President transmitted to the Congress the following reports:

- the 20th annual report of the Department of Housing and Urban Development, which covers calendar year 1984;
- the 14th annual report on the administration of the Federal Railroad Safety Act of 1970, which covers calendar year 1984.

**February 19**

The President met at the White House with:

- members of the White House staff;
- Gov. Martha Collins of Kentucky, to discuss issues of interest to her State;
- Secretary of State George P. Shultz;
- Members of the House of Representatives, to discuss United States assistance for the Nicaraguan democratic resistance.

**February 20**

The President traveled to St. George's, Grenada. He arrived at Port Salines International Airport, where he was welcomed by Governor-General Paul Scoon and Prime Minister Herbert Blaize at a formal arrival ceremony. While at the airport, the President unveiled a plaque commemorating his visit. The President then went to St. George's University of Medicine, where he placed a wreath at the memorial to U.S. Armed Forces personnel killed in Grenada. Following the ceremony at the university, the President

met at the Governor-General's Residence in separate meetings with Governor-General Scoon and Prime Minister Blaize and then in a plenary session with leaders of democratic Caribbean nations. Following the meetings, the President addressed citizens of Grenada at Queen's Park and then returned to Washington, DC.

**February 21**

The President met at the White House with members of the White House staff.

The President redesignated Robert Boone Hawkins, Jr., as Chairman of the Advisory Commission on Intergovernmental Relations.

The President declared a major disaster for the State of California and directed that Federal assistance be provided in those areas ravaged by mudslides and flooding, which left thousands of families homeless.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

**February 23**

The President returned to the White House from Camp David, MD.

The President met at the White House with members of the White House staff, to discuss the situation in the Philippines.

**February 24**

The President met at the White House with:

- members of the White House staff;
- Gov. Lamar Alexander of Tennessee, chairman of the National Governors' Association;
- a group of the Nation's Governors;
- Assistant Secretary of the Interior for Indian Affairs Ross O. Swimmer, to discuss the administration's policy on Indian affairs;
- Donald T. Regan, Assistant to the President and Chief of Staff; Secretary of State George P. Shultz; Senator Paul Laxalt of Nevada; and John M. Poindexter, Assistant to the President for National Security Affairs, to discuss the situation in the Philippines.

The President met with national security advisers early in the morning and at noon for updates on the situation in the Philippines.

In the afternoon, the President met in Room 450 of the Old Executive Office Building with Office of Management and Budget staff, to thank them for their efforts in the preparation of the budget.

The President transmitted a report in compliance with the requirements of Section 722(j) of the International Security and Development Cooperation Act of 1985 (P.L. 99-83) and Section 104 of Chapter V of the Supplemental Appropriations Act, 1985 (P.L. 99-88) on Nicaragua.

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### *February 25*

- The President met at the White House with:
- members of the White House staff;
  - members of the Ronald Reagan Presidential Foundation, for lunch;
  - the Domestic Policy Council.

### *February 26*

- The President met at the White House with:
- members of the White House staff;
  - Republican Members of the House of Representatives, to discuss his request for United States assistance for the Nicaraguan democratic resistance;
  - Secretary of State George P. Shultz;
  - Members of the Senate, to discuss his request for United States assistance for the Nicaraguan democratic resistance.

### *February 27*

- The President met at the White House with:
- members of the White House staff;
  - Members of Congress, to discuss the situation in the Philippines and his request for United States assistance for the Nicaraguan democratic resistance.

In an Oval Office ceremony, the President met with 8-year-old Jamie Brazzell, of Mayfield, KY, the 1986 National Easter Seal Child. Other participants in the ceremony included entertainer Pat Boone, national campaign chairman and Easter Seal Telethon host; members of Jamie's family; and representatives of the National Easter Seal Society.

The President transmitted to the Congress the 28th annual report on the Trade Agreements Program.

### *February 28*

- The President met at the White House with:
- members of the White House staff;
  - Secretary of State George P. Shultz;
  - M.B. Oglesby, Jr., Assistant to the President for Legislative Affairs, and Mrs. Oglesby.

The President signed a major disaster declaration for Nevada, directing that Federal assistance be provided in those areas hit by flooding earlier this month.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

### *March 2*

The President returned to the White House from Camp David, MD.

### *March 3*

- The President met at the White House with:
- members of the White House staff;
  - Secretary of the Air Force Russell A. Rourke;
  - Contra* leaders Adolpho Calero, Arturo Cruz, and Alfonso Robelo, to discuss proposed

United States assistance for the Nicaraguan democratic resistance;

- Judge Irving R. Kaufman, Chairman of the President's Commission on Organized Crime, to receive the Commission's report.

### *March 4*

- The President met at the White House with:
- members of the White House staff;
  - the Cabinet, to discuss foreign policy and the defense budget.

The President requested the Congress to provide:

- authority to transfer \$62 million in fiscal year 1986 from the Department of Defense-Military to the Department of Energy to fund research into the threat posed by directed energy weapons to the Strategic Defense Initiative;
- \$5.7 million to the Department of Agriculture in fiscal year 1986 to enable the Food Safety and Inspection Service to continue to provide necessary on-site inspection service to the meat and poultry industry.

The President also transmitted appropriation requests for the legislative branch and the judiciary and appropriation language requests for the Department of Defense-Military and the Department of Health and Human Services.

### *March 5*

- The President met at the White House with:
- the Godfrey Sperling Group, for breakfast;
  - Members of Congress, to discuss United States assistance for the Nicaraguan democratic resistance;
  - Secretary of State George P. Shultz.

The White House announced that the President will attend the Summit of Industrialized Nations in Tokyo, Japan, May 4-6; and at the invitation of President Soeharto of Indonesia, President Reagan will travel to Bali, April 29-May 2.

The White House announced that the President has invited Prime Minister Robert Hawke of Australia to make an official working visit to the United States. The Prime Minister has accepted the invitation and will meet with the President at the White House on April 17.

### *March 6*

- The President met at the White House with:
- members of the White House staff;
  - the Vice President and Adm. James Holloway III, Executive Director of the Vice President's Task Force on Combatting Terrorism, to receive the public report of the task force;
  - the Vice President, for lunch.

In the evening, the President hosted a reception for the National Newspaper Association in the Residence at the White House.

Later in the evening, the President attended a reception for Senator Frank H. Murkowski of Alaska in the Grand Ballroom at the Sheraton Grand Hotel.

#### *March 7*

The President met at the White House with:

- members of the White House staff;

- Charles Z. Wick, Director of the U.S. Information Agency, and Stephen H. Rhinesmith, Coordinator, Office of the President's U.S.-Soviet Exchange Initiative, to discuss recently completed and future trips to the Soviet Union that are part of the People to People Program;

- Ambassador Philip C. Habib, to receive a report on the Ambassador's visit to the Philippines;

- Secretary of State George P. Shultz.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

#### *March 9*

The President returned to the White House from Camp David, MD.

#### *March 10*

The President met at the White House with:

- members of the White House staff;

- Republican Members of Congress, to discuss United States assistance for the Nicaraguan democratic resistance.

In the afternoon, the President attended the swearing-in ceremony in the Roosevelt Room for Richard E. Lyng as Secretary of Agriculture. Mr. Lyng was sworn in by Supreme Court Justice Sandra Day O'Connor.

#### *March 11*

The President met at the White House with:

- members of the White House staff;

- Members of Congress, to discuss United States assistance for the Nicaraguan democratic resistance;

- the Economic Policy Council, to discuss the farm situation;

- Senator Bob Packwood of Oregon, to discuss the Senator's tax revision proposal;

- Senator Alan K. Simpson of Wyoming and Representative Peter W. Rodino, Jr., of New Jersey, to discuss immigration legislation.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Cesar Atala Nazzari of Peru, Fernando Illanes de la Riva of Bolivia, Paavo Llmari Rantanen of Finland, Dominador Kaiser Bazan of Panama, Francisco Posada de la Pena of Colombia, and Leandre B. Bassole of Burkina Faso.

#### *March 12*

The President met at the White House with:

- members of the White House staff;

- Philip C. Habib, Special Envoy for Central America, prior to Ambassador Habib's departure for El Salvador, Honduras, and Guatemala;

- Members of Congress, to discuss United States assistance for the Nicaraguan democratic resistance;

- Secretary of State George P. Shultz;

- Secretary of Defense Caspar W. Weinberger, Interagency Savings Bond Chairman; entertainer Conrad Bain, Honorary Chairman of the Savings Bond Committee; and Robert Mercer, National Chairman of the committee, for the 1986 Savings Bond drive kickoff.

The President named the official U.S. delegation to the funeral of Swedish Prime Minister Olof Palme. The delegation will be led by Secretary of State George P. Shultz and will include:

*Gregory J. Newell*, United States Ambassador to Sweden

*John A. Svahn*, Assistant to the President for Policy Development

*Rozanne L. Ridgway*, Assistant Secretary of State for European and Canadian Affairs

The delegation will depart Washington on March 14, attend the services in Stockholm on March 15, and return to Washington on March 16.

The White House announced that Prime Minister Yasuhiro Nakasone of Japan has accepted an invitation to meet with the President during his official working visit to Washington, April 12-14. The President and the Prime Minister are expected to discuss bilateral issues and issues relevant to the upcoming Tokyo Economic Summit.

#### *March 13*

The President met at the White House with:

- members of the White House staff;

- the Washington, DC, all-star basketball team;

- Members of Congress;

- Republican Members of the Senate, to discuss the implementation of the Food Security Act of 1985;

- the Vice President, for lunch.

The President signed a major disaster declaration for Utah, directing that Federal assistance be provided in those areas hit by flooding last month.

#### *March 14*

The President met at the White House with:

- members of the White House staff;

- Secretary of State George P. Shultz.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

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### *March 15*

The President directed that Federal assistance be provided in Montana where severe storms and flooding caused extensive damage to public facilities in February.

### *March 16*

The President returned to the White House from Camp David, MD.

### *March 17*

The President met at the White House with:

- members of the White House staff;
- the Domestic Policy Council, to discuss the crisis in insurance availability and affordability.

The President transmitted to the Congress the fourth annual report on Alaska's mineral resources.

### *March 18*

The President met at the White House with:

- members of the White House staff;
- Members of Congress, to discuss United States assistance for the Nicaraguan democratic resistance.

The President requested the Congress to provide fiscal year 1987 appropriation language to reconfirm that the \$20 million advance appropriation provided by Public Law 99-190 to design and construct a new prison facility in the District of Columbia is included in the \$560.4 million Federal payment proposed in the fiscal year 1987 budget.

The President also transmitted a \$6.5 million fiscal year 1986 appropriation request for the legislative branch and appropriation language requests for the judiciary, the Department of Energy, and the Department of Justice.

### *March 19*

The President met at the White House with:

- members of the White House staff;
- Secretary of State George P. Shultz.

The President declared a major disaster for the State of Washington as a result of severe storms, landslides, and flooding beginning on February 22, which caused extensive property damage.

### *March 20*

The President met at the White House with:

- members of the White House staff;
- the Vice President, for lunch;
- actress Ann Jillian, to whom he presented the Cancer Courage Award;
- pianist Vladimir Horowitz.

### *March 21*

The President met at the White House with:

- members of the White House staff;

—Arthur Adair Hartman, U.S. Ambassador to the Soviet Union;

—United Nations Secretary General Javier Perez de Cuellar de la Guerra.

### *March 22*

In the evening, the President attended the annual Gridiron Club Dinner at the Capital Hilton Hotel.

### *March 24*

The President met at the White House with:

- members of the White House staff;
- Elliott Abrams, Assistant Secretary of State for Inter-American Affairs, to receive the Assistant Secretary's report on his trip to El Salvador, Honduras, and Costa Rica to provide assurances of continued U.S. support;
- Senate Majority Leader Robert Dole and Senators Strom Thurmond of South Carolina, Orrin G. Hatch of Utah, Dennis DeConcini of Arizona, and Paul Simon of Illinois, to discuss the balanced budget amendment;
- Donald T. Regan, Assistant to the President and Chief of Staff; Secretary of Defense Caspar W. Weinberger; John M. Poindexter, Assistant to the President for National Security Affairs; and Adm. William J. Crowe, Jr., Chairman of the Joint Chiefs of Staff, to discuss developments in the situation in the Gulf of Sidra near Libya.

### *March 25*

The President met at the White House with:

- members of the White House staff;
- the Economic Policy Council, to discuss proposed amendments to the Davis-Bacon Act.

Throughout the day, the President telephoned Members of Congress to discuss United States assistance for the Nicaraguan democratic resistance and the balanced budget amendment.

### *March 26*

The President met at the White House with:

- members of the White House staff;
- Paul D. Wolfowitz, the new U.S. Ambassador to Indonesia;
- a group of astronomers, for lunch;
- Ralph Harris, a journalist with Reuters who is retiring after having covered the White House since the Truman administration;
- Fred F. Fielding, who is resigning as Counsel to the President.

The President designated Theodore J. Garrish, Assistant Secretary of Energy (Congressional, Intergovernmental, and Public Affairs), as Acting Federal Inspector for the Alaska Natural Gas Transportation System.

The President transmitted a report to the Speaker of the House and the chairman of the

Senate Foreign Relations Committee concerning the late transmittals of certain international agreements.

The President transmitted to the Congress:

- the 1984 annual report on United States participation in the United Nations;
- the ninth annual report of the National Institute of Building Sciences.

#### *March 27*

The President met at the White House with members of the White House staff.

In the morning, the President left the White House and traveled to New Orleans, LA, where he addressed a fundraiser for Representative W. Henson Moore, Republican candidate for the U.S. Senate. Following his remarks, he went to his ranch in Santa Barbara County, CA, for a 10-day Easter vacation.

The President requested the Congress to provide \$80 million to the Federal Aviation Administration and \$35.5 million to the Coast Guard to enable these agencies to maintain an adequate level of operations during fiscal year 1986. Of the \$115.5 million requested, \$108.7 million would be transferred from other Department of Transportation accounts. Total fiscal year 1986 outlays would not be affected. The President also requested \$1.3 million for the American Battle Monuments Commission to enable the Commission to continue to maintain United States memorial shrines and military burial grounds located in foreign countries in the face of the declining value of the dollar.

#### *April 2*

At 6:30 a.m., at his ranch in Santa Barbara County, CA, the President was told by Donald R. Fortier, Deputy Assistant to the President for National Security Affairs, of the explosion onboard Trans World Airlines flight 840 near Athens, Greece. The President directed U.S. authorities to cooperate in the investigation and U.S. Embassy personnel in Athens to extend full assistance to the passengers on flight 840.

#### *April 3*

In the morning, the President met at his ranch with Donald R. Fortier, Deputy Assistant to the President for National Security Affairs, to be briefed on the bombing of Trans World Airlines flight 840.

#### *April 6*

The President returned to Washington, DC, from his ranch in Santa Barbara County, CA.

#### *April 7*

The President met at the White House with:

- members of the White House staff;

- Secretary of State George P. Shultz, to receive the Secretary's report on his recent trip to Europe;

- Representatives Dante B. Fascell of Florida and William S. Broomfield of Michigan, to receive their report on their trip to the Soviet Union and meeting with General Secretary Gorbachev;

- Gen. Matthew P. Caulfield, the departing Deputy Director of the White House Military Office.

In the afternoon, the President attended the opening day of the 1986 baseball season at Baltimore's Memorial Stadium. The President and 12-year-old Brian Gray, a cystic fibrosis patient at Johns Hopkins Children's Center, threw the first balls of the game between the Baltimore Orioles and the Cleveland Indians.

#### *April 8*

The President met at the White House with:

- members of the White House staff;

- Soviet Ambassador Anatoly F. Dobrynin, to discuss the prospective Soviet-U.S. summit meeting in the United States and a preparatory meeting between Secretary of State George P. Shultz and Soviet Minister of Foreign Affairs Eduard A. Shevardnadze.

The President transmitted to the Congress the annual report of the National Endowment for the Arts and the National Council on the Arts for fiscal year 1985.

In the evening, the President hosted a reception for the Advertising Council in the Residence at the White House.

#### *April 9*

The President met at the White House with:

- members of the White House staff;

- the Republican congressional leadership;

- Secretary of State George P. Shultz.

The President announced his intention to designate Robert W. Searby, Deputy Under Secretary of Labor for International Affairs, to be a member of the Board of Directors of the Overseas Private Investment Corporation.

#### *April 10*

The President met at the White House with:

- members of the White House staff;

- the Domestic Policy Council, for the presentation of the National Drug Enforcement Policy Board's report;

- a group of Democratic Congressmen, to discuss United States assistance for the Nicaraguan democratic resistance.

#### *April 11*

The President met at the White House with:

- members of the White House staff;

## *Appendix A / Administration of Ronald Reagan, 1986*

—Anne Legendre Armstrong, Chairman of the President's Foreign Intelligence Advisory Board;

—Secretary of State George P. Shultz.

The White House announced that the President of Uruguay, Julio María Sanguinetti, has accepted an invitation from President Reagan for a state visit to the United States. The two Presidents will meet on June 17 and will discuss a wide range of issues of mutual interest to both countries.

The President requested the Congress to provide \$6 million to the Department of Agriculture's Dairy Indemnity Program to make payments to dairy farmers and milk processors in Arkansas, Missouri, and Oklahoma to indemnify them for milk products contaminated by the pesticide heptachlor. This increase would be offset by a reduction in the limitation on direct loans in the Rural Housing Fund.

The President transmitted appropriation requests for the legislative branch and an appropriations language request for the Department of Transportation.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

### *April 13*

Prime Minister Yasuhiro Nakasone of Japan traveled to Camp David, MD, to meet with the President. Following his arrival, the Prime Minister and the President met in a plenary session with U.S. and Japanese officials at Laurel Lodge. Following the meeting, the Prime Minister and the President joined Mrs. Reagan at Aspen Lodge for lunch. The Prime Minister then returned to Washington, DC.

Later in the afternoon, the President returned to the White House from Camp David, MD.

### *April 14*

The President met at the White House with:

- members of the White House staff;
- Lt. Gen. Lincoln Faurer, retiring head of the National Security Agency;
- members of the Ronald Reagan Presidential Foundation, for lunch;
- the congressional leadership, to discuss the U.S. air strike against Libya.

In an Oval Office ceremony, the President presented Guy R. Doud, a high school English teacher from Brainerd, MN, with the National Teacher of the Year Award.

The President transmitted to the Congress the 20th annual report of the National Endowment for the Humanities, covering 1985.

### *April 15*

The President met at the White House with members of the White House staff.

### *April 16*

The President met at the White House with:

- members of the White House staff;
- Foreign Minister Hans-Dietrich Genscher of the Federal Republic of Germany;
- arms control advisers, to discuss compliance with SALT II treaty limitations;
- the Vice President, for lunch;
- the National Collegiate Athletic Association men's and women's champion basketball teams;
- Secretary of State George P. Shultz;
- Senate Majority Leader Robert Dole and Senator Pete V. Domenici, chairman of the Senate Budget Committee, to discuss the budget.

The President telephoned the wives of Air Force Captains Fernando Ribas and Paul Larence, the crew of the plane lost in the air strike against Libya, to extend his condolences.

### *April 17*

The President met at the White House with:

- members of the White House staff;
- Senators Pete Wilson of California, Malcolm Wallop of Wyoming, Dan Quayle of Indiana, and James A. McClure of Idaho, to discuss compliance with SALT II treaty limitations.

The President transmitted to the Congress the 21st annual report on the status of the National Wilderness Preservation System for calendar year 1984 and the 7th annual report of the Department of Energy.

In the evening, the President hosted a reception for the Republican congressional leadership in the Residence at the White House.

### *April 18*

In the morning, the President left the White House and traveled to New York City to address a fundraising luncheon for Senator Alfonse M. D'Amato. Following his remarks, he went to Camp David, MD, for a weekend stay.

### *April 20*

The President returned to the White House from Camp David, MD.

### *April 21*

The President met at the White House with members of the White House staff.

### *April 22*

The President met at the White House with:

- members of the White House staff;
- Congressmen from oil-producing States;
- California State legislators;
- Governors of oil-producing States.

The President transmitted to the Congress the fiscal year 1987 budget of the District of Colum-



bia and a report on the recommendations of the Office of Juvenile Justice and Delinquency Prevention.

*April 23*

The President met at the White House with members of the White House staff.

The President today announced the members of the United States delegation to attend the coronation of His Royal Highness Crown Prince Makhosetive as King of the Kingdom of Swaziland, scheduled to be held in Mbabane, April 25 through 27, 1986.

*Personal Representative of the President, with the rank of Special Ambassador, to head the delegation:*

*Ms. Maureen E. Reagan*, Representative of the United States of America on the Commission on the Status of Women of the Economic and Social Council of the United Nations

*Representatives of the President, with the rank of Special Ambassador:*

*Harvey Frans Nelson, Jr.*, United States Ambassador to the Kingdom of Swaziland

*Richard A. Hauser*, Deputy Counsel to the President, the White House

*Charles W. Freeman, Jr.*, Senior Deputy Assistant Secretary of State for African Affairs

*Mrs. Anne N. Foreman*, Associate Director, Office of Presidential Personnel, the White House

*Col. Milton J. Frank*, United States Air Force, Retired, special assistant to the president of Adelphi University, Garden City, NY.

The President approved disaster assistance for people in the tornado-stricken area of Sweetwater, TX.

*April 24*

The President met at the White House with:  
—members of the White House staff;  
—the Vice President, for lunch.

The President telephoned President Corazon Aquino of the Philippines to offer U.S. assistance in meeting the challenges facing her government. He described the Philippine aid package and expressed his and Mrs. Reagan's best wishes to her and the Philippine people.

In the afternoon, the President attended a ceremony for White House volunteers in Room 450 of the Old Executive Office Building.

The President transmitted to the Congress the annual report of the ACTION Agency for fiscal year 1985.

*April 25*

The President left the White House for a trip to Indonesia and Japan. He will attend the Tokyo Economic Summit.

*April 26*

The President traveled to Honolulu, HI, the first stop on his 13-day trip to Indonesia and Japan. While in Honolulu, the President stayed at the home of Christopher Hemmeter. The President visited Randy Raquion, a 13-year-old boy suffering from leukemia, at Kapiolani Women's and Children's Medical Center.

*April 27*

In the evening, President Reagan telephoned former Philippine President Ferdinand E. Marcos, who was staying at a private residence in Honolulu.

*April 28*

The President left Hawaii to travel to Bali, Indonesia.

*April 29*

The President stopped in Guam, before continuing on to Bali, Indonesia, for the ministerial meeting of the Association of South East Asian Nations (ASEAN) scheduled to begin on May 1.

Upon his arrival in Indonesia, President Reagan met with President Soeharto at an arrival ceremony at Ngurah Rai Airport.

*April 30*

In the afternoon, the President met with Secretary of State George P. Shultz, Donald T. Regan, Assistant to the President and Chief of Staff, and John M. Poindexter, Assistant to the President for National Security Affairs, for an update on the Soviet nuclear reactor accident at Chernobyl and to discuss the congressional agenda.

*May 1*

In the morning, the President met with Secretary of State George P. Shultz, Donald T. Regan, Assistant to the President and Chief of Staff, and John M. Poindexter, Assistant to the President for National Security Affairs, for an update on the Soviet nuclear reactor accident at Chernobyl and to prepare for the ministerial meeting of ASEAN.

The President met with President Soeharto of Indonesia and with Vice President Salvador Laurel of the Philippines.

*May 2*

President Reagan met with President Soeharto of Indonesia at Ngurah Rai Airport before traveling to Tokyo, Japan, to participate in the 12th annual Economic Summit of Industrialized Nations.

The President arrived at Haneda airport, Tokyo, Japan, and went to the Hotel Okura, his residence during the economic summit.

## *Appendix A / Administration of Ronald Reagan, 1986*

### *May 3*

In the afternoon, the President met with Prime Minister Yasuhiro Nakasone of Japan, at the Prime Minister's official residence, and with Prime Minister Bettino Craxi of Italy, at the residence of U.S. Ambassador Michael J. Mansfield. Following the meetings, the President returned to the Hotel Okura.

### *May 4*

In the afternoon, the President went to Ambassador Mansfield's residence for summit briefings and a working luncheon with administration officials and members of the White House staff. He then met with Chancellor Helmut Kohl of the Federal Republic of Germany.

The President went to Akasaka Palace for the formal economic summit welcoming ceremony and met with Prime Minister Nakasone. He then returned to Ambassador Mansfield's residence for private and bilateral meetings with Prime Minister Margaret Thatcher of the United Kingdom.

In the evening, the President attended a welcoming reception at the Hotel New Otani and a working dinner for summit leaders at Prime Minister Nakasone's official residence. He then returned to the Hotel Okura.

### *May 5*

The President met in the morning at the Hotel Okura with administration officials and members of the White House staff.

The President began the first full day of meetings of the Tokyo Economic Summit by attending a morning working session with summit leaders at the Akasaka Palace. After a working luncheon, he participated in an afternoon plenary session with summit leaders.

In the evening, the President attended a reception and working dinner for summit leaders and foreign ministers at the Hotel New Otani. He then returned to the Hotel Okura.

### *May 6*

The President met in the morning at the Hotel Okura with administration officials and members of the White House staff. He then went to Akasaka Palace to meet with summit leaders and to attend a plenary session.

In the afternoon, after a working plenary luncheon with summit leaders at the Hotel New Otani, the President went to Ambassador Mansfield's residence for a meeting with President François Mitterrand of France.

In the evening, the President attended a banquet for summit leaders at the Imperial Palace hosted by Emperor Hirohito. He then returned to the Hotel Okura.

The President directed that Federal assistance be provided to South Dakota, where severe

storms and flooding caused extensive damage to public facilities in March and April.

### *May 7*

The President met in the morning at the Hotel Okura with administration officials and members of the White House staff. After his news conference at the Hotel Okura, the President attended a reception with Ambassador Mansfield and the Embassy staff. The President then returned to Washington, DC.

### *May 8*

The President met at the White House with the Cabinet to discuss the economic issues and political aspects of the Tokyo Economic Summit.

The President telephoned Senator Bob Packwood of Oregon to congratulate him on his work on tax reform legislation and to offer his support to bring the legislation to the floor of the Senate.

The President telephoned the Senate leadership, urging prompt action by the Senate Finance Committee on Senator Packwood's tax reform legislation.

The President announced the members of the United States delegation to attend the inaugural ceremonies of His Excellency Oscar Arias Sánchez as President of the Republic of Costa Rica, scheduled to be held in San José on May 8.

### *Personal Representative of the President to head the delegation:*

*George Bush*, Vice President of the United States of America

### *Representatives of the President, with the rank of Special Ambassador:*

*Lewis Arthur Tambs*, United States Ambassador to the Republic of Costa Rica

*Richard G. Lugar*, United States Senator from the State of Indiana

*John P. Murtha*, United States Representative from the State of Pennsylvania

*Philip C. Habib*, Special Envoy of the President of the United States of America for Central America

*Elliott Abrams*, Assistant Secretary of State for Inter-American Affairs

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

### *May 11*

The President returned to the White House from Camp David, MD.

### *May 12*

The President met at the White House with members of the White House staff.

The President announced his intention to designate Senator William S. Cohen of Maine to be a member on the part of the United States of the

Roosevelt Campobello International Park Commission.

*May 13*

- The President met at the White House with:
- members of the White House staff;
  - the Republican congressional leadership, to discuss the arms sale to Saudi Arabia, trade, and the budget;
  - a group of Republican Senators, to discuss the arms sale to Saudi Arabia;
  - Natan Shcharanskiy.

The White House announced that the President has invited Chancellor Fred Sinowatz of Austria to make an official working visit to the United States. Chancellor Sinowatz has accepted the invitation and will meet with the President at the White House on June 24.

The President requested the Congress to provide the following:

- \$100.2 million in 1986 for the Department of Health and Human Services to provide funds to pay State claims in the foster child care and adoption assistance entitlement programs.
- Appropriation language in 1986 for the Department of Housing and Urban Development to increase the credit limitation for the Federal Housing Administration Fund and provide program reforms.
- \$72.2 million in transfer authority in 1986 for the Department of Transportation to enable the Federal Aviation Administration to provide additional funding for the development of the Advanced Automation System (AAS). AAS is a computer-based system to provide for a more productive and safer air traffic control system.

The President also transmitted appropriation requests for the judiciary, international development assistance, the Department of State, International Trade Commission, and the National Afro-American History and Culture Commission.

In the evening, the President hosted a reception for the Responsible Government for America Foundation in the Residence at the White House.

*May 14*

- The President met at the White House with:
- members of the White House staff;
  - Robert Wieland, a veteran who had lost his legs in Vietnam, to congratulate him on his cross-country "Walk for Hunger";
  - Secretary of State George P. Shultz.

The President requested the Congress to provide the following:

- \$28.7 million in fiscal year 1986 and \$24.5 million in fiscal year 1987 to provide for the replenishment of the International Fund for Agricultural Development. Net outlays

would not be affected, because this proposal requests the release of 1986 funds already appropriated by the Congress and proposes that the 1987 funding be derived by transfer from another account.

- \$7.5 million in fiscal year 1986 to the Board for International Broadcasting to provide for the continued operation of Radio Free Europe and Radio Liberty in the face of the declining value of the dollar against the German mark. This increase would be fully offset by a \$9 million reduction in the pending request for fiscal year 1986 supplemental appropriation for the Department of State.

The President also transmitted fiscal year 1986 appropriation requests for the judiciary totaling \$6.6 million.

*May 15*

- The President met at the White House with:
- members of the White House staff;
  - Vice Premier Yao Yilin of China, to discuss China-U.S. relations, the Tokyo Economic Summit, and Soviet-U.S. relations;
  - Members of Congress, to discuss the arms sale to Saudi Arabia;
  - the Vice President, for lunch.

The President transmitted to the Congress the annual report for 1985 of the Federal Council on the Aging and a report entitled, "A Unified National Program for Floodplain Management."

*May 16*

- The President met at the White House with:
- members of the White House staff;
  - Secretary of State George P. Shultz;
  - U.S. Ambassadors Otto Reich (Venezuela), Melvyn Levitsky (Bulgaria), John Scanlan (Yugoslavia), Malcolm Wilkey (Uruguay), and Gary L. Matthews (Malta) prior to their departure for their overseas posts.

*May 19*

- The President met at the White House with:
- members of the White House staff;
  - Foreign Minister Jean-Bernard Raimond of France, to discuss terrorism and France-U.S. relations.

In a White House ceremony, the President signed S. 49, the Firearms Owners' Protection Act, into law. As enacted, S. 49 is Public Law 99-308. The ceremony was attended by Members of Congress.

*May 20*

- The President met at the White House with:
- members of the White House staff;
  - the Saudi Ambassador to the United States, His Royal Highness Prince Bandar bin Sultan, to discuss the proposed arms sale;

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- Jewish community leaders, to discuss the arms sale to Saudi Arabia.

*May 21*

The President met at the White House with:  
—members of the White House staff;  
—Secretary of State George P. Shultz.  
The President requested the Congress to provide the following for the Department of Justice in fiscal year 1986:

- \$2.6 million to be transferred to the United States Marshals Service for extraordinary security details;
- Appropriation language to provide for an increased number of “inmate jail days” for Federal prisoners in non-Federal prison facilities;
- A reappropriation to extend the availability of \$10 million needed for the relocation of the FBI field office within the District of Columbia;
- \$3 million to be transferred to the Immigration and Naturalization Service (INS) for the detention of Mariel Cuban criminals in non-INS facilities;
- \$2.5 million to be transferred to the Federal prison system to maintain adequate security at the U.S. Penitentiary at Atlanta, GA;
- Language establishing a method of funding special counsels.

The President also requested a fiscal year 1986 appropriation language change for the Department of Labor.

The White House announced that President Reagan has invited President José Simeon Azcona Hoyo of Honduras to make an official working visit to the United States. President Azcona has accepted the invitation and will meet with President Reagan at the White House on May 27.

The President transmitted to the Congress the 19th annual report of the U.S.-Japan Cooperative Medical Science Program for the period July 1984 to July 1985.

*May 22*

The President met at the White House with:  
—members of the White House staff;  
—Robert and Ruth Kehl of Dubuque, IA, Pamela Del Duca of Scottsdale, AZ, and Kenneth Broussard of Port Arthur, TX, national Small Business Persons of the Year winners;  
—Coach Eddie Robinson, of Grambling State University in Louisiana, who was named Coach of the Year by the Grambling State Alumni Association.

*May 23*

The President met at the White House with:  
—members of the White House staff;  
—Secretary of State George P. Shultz.

*May 24*

In the afternoon, the President attended a tennis tournament for the benefit of the Nancy Reagan Drug Abuse Fund on the South Grounds of the White House and a reception for tournament participants in the Residence.

*May 25*

In the afternoon, by linking hands with schoolchildren and members of the White House staff on the North Portico of the White House, the President and Mrs. Reagan participated in Hands Across America. Hands Across America was a private sector initiative to combat hunger.

*May 27*

The President met at the White House with members of the White House staff.

In the evening, the President hosted a reception for Citizens for the Republic in the Residence at the White House.

*May 28*

The President met at the White House with:  
—members of the White House staff;  
—political cartoonists, for lunch.

The White House announced that the President has invited King Hussein I of Jordan to make an official working visit to Washington, DC. King Hussein has accepted the invitation and will meet with the President at the White House on June 9.

*May 29*

The President met at the White House with:  
—members of the White House staff;  
—the Vice President, for lunch;  
—the staff of the Office of Cabinet Affairs;  
—Albert H. Linden, Jr., national commander of the Disabled American Veterans;  
—leaders of the Boys Clubs of America;  
—the Public Diplomacy Advisory Group;  
—Raymond Navarre, of Houston, TX, the 11-year-old National Arthritis Foundation poster child, and his family;  
—Richard Diete, the Republican candidate for the Sixth Congressional District, formerly held by the late Joseph P. Addabbo.

In an Oval Office ceremony, the President presented Senator Barry Goldwater of Arizona with the Harmon Trophy, in recognition of his achievements in aviation.

The President transmitted to the Congress:  
—the annual report of the Rehabilitation Services Administration;  
—the seventh annual report describing Federal actions with respect to the conservation and use of petroleum and natural gas in Federal facilities.

In the evening, the President attended a performance of "The Caine Mutiny" at the John F. Kennedy Center for the Performing Arts.

*May 30*

The President met at the White House with members of the White House staff.

In the morning, the President presented the Distinguished Service Medal to the family of the late Capt. Joseph J. Rochefort, USN, in recognition of the Captain's role in breaking the Japanese code during World War II.

The President announced his intention to designate Lynn R. Collins, Deputy Special Counsel, Merit Systems Protection Board, as Acting Special Counsel of the Board and his intention to appoint Arthur H. Davis, U.S. Ambassador to Panama, as the U.S. Representative on the Commission for the Study of Alternatives to the Panama Canal.

The President transmitted to the Congress the annual report of the Corporation for Public Broadcasting for fiscal year 1985.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

*June 1*

The President returned to the White House from Camp David, MD.

*June 2*

The President met at the White House with:

- members of the White House staff;
- a Cabinet-level group, to discuss unauthorized disclosures of classified material.

*June 3*

The President met at the White House with:

- members of the White House staff;
- the Mexico-U.S. Interparliamentary Union;
- Secretary of Defense Caspar W. Weinberger;
- Secretary of State George P. Shultz.

The President declared a major disaster for the Trust Territory of the Pacific Islands as a result of Typhoon Lola, which produced heavy rains, high winds, and high surf.

*June 4*

In the morning, the President traveled to Parris Island, SC, to address Marine Corps basic training graduates.

In the afternoon, the President traveled to Greensboro, NC, to address a fundraiser for Representative James T. Broyhill. Following his remarks, he returned to Washington, DC.

*June 5*

The President met at the White House with:

- members of the White House staff;
- the Vice President, for lunch;

—Jamie T. Noland, of Fort Collins, CO, the Asthma and Allergy Foundation poster child, and his family.

In the morning, the President hosted a breakfast for Members of the Senate in the State Dining Room at the White House. During the breakfast, the tax reform legislation pending in the Senate and the arms sale to Saudi Arabia were discussed.

The President approved Federal disaster assistance for people in the flood-stricken area of Allegheny County, PA.

The White House announced that the President has invited Prime Minister Mohammed Khan Junejo of Pakistan to make an official visit to the United States. Prime Minister Junejo has accepted the invitation and will meet with the President at the White House on July 16.

The President announced his intention to appoint Richard Schifter, Assistant Secretary of State for Human Rights and Humanitarian Affairs, as an executive branch observer on the Commission on Security and Cooperation in Europe.

The President directed that Federal assistance be provided to Indiana to assist in the reconstruction of the tornado-damaged Lynn Elementary School in Randolph County.

*June 6*

The President met at the White House with:

- members of the White House staff;
- Secretary of Agriculture Richard E. Lyng, to discuss the farm economy;
- Suzanne Massie, a Soviet affairs expert, for lunch.

The President requested the Congress to provide the following:

- The withdrawal of a request for fiscal year 1986 supplemental appropriations totaling \$74 million for the Department of Labor. This reduction is possible because of the congressional reauthorization of the Trade Adjustment Assistance program (TAA). This supplemental was intended to provide assistance to trade-affected workers who had been eligible for assistance under the expired TAA program. Since those workers will continue to receive benefits under TAA this supplemental request is no longer needed.
- \$2.5 million in fiscal year 1987 to provide funds to implement reforms in furnishing veterans with nonservice-connected medical care. These reforms are authorized by Public Law 99-272.

Fiscal year 1987 appropriation language is also being requested for the Environmental Protection Agency.

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In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

### *June 8*

The President returned to the White House from Camp David, MD.

### *June 9*

The President met at the White House with:

- members of the White House staff;
- King Hussein I of Jordan, to discuss the Middle East.

### *June 10*

The President met at the White House with:

- members of the White House staff;
- the Republican congressional leadership, to discuss United States assistance for the Nicaraguan democratic resistance, the judicial nominations confirmation process, and tax reform;
- supporters of Project '88, an organization established to generate support for the President's programs.

The President transmitted to the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate and to the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives a classified report required by sec. 601 of the Intelligence Authorization Act for Fiscal Year 1985 (P.L. 98-618) on reciprocity and equivalence of foreign governments that engage in intelligence activities within the United States harmful to U.S. national security.

### *June 11*

The President met at the White House with members of the White House staff.

### *June 12*

The President met at the White House with members of the White House staff.

### *June 13*

The President met at the White House with:

- members of the White House staff;
- Senator James Abdnor of South Dakota, to discuss an amendment to supplemental appropriations legislation concerning farm assistance;
- Mother Teresa and Sister Frederick, Regional Superior for North America;
- Secretary of State George P. Shultz;
- U.S. Ambassadors Lowell C. Kilday (Dominican Republic), William L. Eagleton (Syria), and Jean Gerard (Luxembourg).

In the morning, in an Oval Office ceremony, the President presented Lt. Gen. Bennett L. Lewis with the National Security Medal and Charles E. Allen with the President's Award for

Distinguished Federal Service for their accomplishments in the Defense Mobilization Systems Planning Activity.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

### *June 15*

The President returned to the White House from Camp David, MD.

### *June 16*

The President met at the White House with:

- members of the White House staff;
- Secretary of Defense Caspar W. Weinberger;
- the U.S. Committee for the Battle of Normandy Museum;
- Representative Marjorie S. Holt of Maryland and Mr. and Mrs. Elmer Jackson;
- Representative Mac Sweeney of Texas and Valerie Lowrance, America's Junior Miss;
- Representative Jim Courter of New Jersey and Harvey Friedman, National Commander of the Jewish War Veterans;
- Senator Charles McC. Mathias, Jr., of Maryland, to receive a book of photographs of the 1985 Inaugural ceremonies;
- Matthew Muxlow, a student interested in the Presidency;
- Senator Robert Dole of Kansas.

### *June 17*

The President met at the White House with members of the White House staff.

### *June 18*

The President met at the White House with:

- members of the White House staff;
- Bishop Dario Castrillon of Colombia, General Secretary of the Latin American Bishops' Conference, to receive a report on the difficulties faced by the Roman Catholic church in Central America;
- officers of the National Association of Home Builders;
- Secretary of State George P. Shultz.

### *June 19*

The President met at the White House with:

- members of the White House staff;
- a group of Congressmen, to discuss Central America;
- the Vice President, for lunch.

### *June 20*

The President met at the White House with members of the White House staff.

In the morning, the President went to Bethesda Naval Hospital for a routine postoperative examination, 11 months after his operation for colon cancer. Upon completion of the examina-

tion, the President went to Camp David, MD, for a weekend stay.

*June 22*

The President returned to the White House from Camp David, MD.

*June 23*

The President met at the White House with members of the White House staff.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Pierre D. Sam of Haiti, Emmanuel N. Pelaez of the Philippines, Miroslav Houstecky of Czechoslovakia, Enrique J. A. Candiotti of Argentina, Albert S. Talalla of Malaysia, William T. Van Tonder of Lesotho, Kiatro Ottao Abisinio of Papua New Guinea, Sospeter O. Mageto of Kenya, and Yuriy Vladimirovich Dubinin of the Soviet Union. Ambassador Dubinin also presented a personal letter from General Secretary Mikhail Gorbachev.

The White House announced that the President has invited His Majesty King Hassan II of Morocco to make an official working visit to the United States. The King has accepted the invitation and will meet with the President at the White House on July 22.

The President announced his intention to appoint Dennis DeConcini, U.S. Senator from Arizona, to be a member of the Commission on the Bicentennial of the United States Constitution. This appointment is upon the recommendation of the President pro tempore of the Senate and in consultation with the majority leader and minority leader of the Senate. He would succeed Edward P. Morgan.

*June 24*

The President met at the White House with:

- members of the White House staff;
- Members of the House of Representatives, to discuss United States assistance for the Nicaraguan democratic resistance.

The President transmitted to the Congress the following amended fiscal year 1987 appropriations requests:

- Appropriation language for the Environmental Protection Agency to extend the availability of funds previously appropriated to treat sewage flowing into this country from Tijuana, Mexico. This extension would permit this problem to be handled in an environmentally acceptable and cost-effective manner.
- \$879,000 for the Federal Communications Commission to enable the Commission to collect user fees from applicants and licensees as provided by Public Law 99-272. These fees are estimated to total \$15.0 million in fiscal year 1987 and \$30.0 million per year thereafter.
- \$2.5 million for the National Council on Public Works Improvement to enable the Council to complete its work. This temporary Council was established by the Congress to report to the President on the state of the Nation's infrastructure.

The President spoke by telephone with Senators Robert Dole of Kansas, Robert C. Byrd of West Virginia, Bob Packwood of Oregon, and Russell B. Long of Louisiana to offer congratulations on Senate passage of a tax reform bill.

*June 25*

The President met at the White House with members of the White House staff.

In the afternoon, the President left the White House for a trip to Las Vegas, NV, and California.





## Appendix B—Nominations Submitted to the Senate

*The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.*

### Submitted January 21

Otto J. Reich,  
of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Venezuela.

Eric G. Bruggink,  
of Virginia, to be a Judge of the United States Claims Court for a term of 15 years, vice Harry E. Wood, term expired.

Marian Blank Horn,  
of Maryland, to be a Judge of the United States Claims Court for a term of 15 years, vice Alex Kozinski, elevated.

Frank J. Magill,  
of North Dakota, to be United States Circuit Judge for the Eighth Circuit, vice Myron H. Bright, retired.

Lawrence P. Zatkoff,  
of Michigan, to be United States District Judge for the Eastern District of Michigan, vice Ralph B. Guy, Jr., elevated.

Ronald R. Lagueux,  
of Rhode Island, to be United States District Judge for the District of Rhode Island, vice a new position created by P.L. 98-353, approved July 10, 1984.

Richard S. Cohen,  
of Maine, to be United States Attorney for the District of Maine for the term of 4 years (reappointment).

P.A. Mangini,  
of Connecticut, to be United States Marshal for the District of Connecticut for the term of 4 years (reappointment).

Ralph D. Morgan,  
of Indiana, to be United States Marshal for the Southern District of Indiana for the term of 4 years (reappointment).

### Submitted January 21—Continued

J. Jerome Perkins,  
of Indiana, to be United States Marshal for the Northern District of Indiana for the term of 4 years (reappointment).

John R. Kendall,  
of Michigan, to be United States Marshal for the Western District of Michigan for the term of 4 years (reappointment).

Lee Koury,  
of Missouri, to be United States Marshal for the Western District of Missouri for the term of 4 years (reappointment).

William S. Vaughn,  
of Missouri, to be United States Marshal for the Eastern District of Missouri for the term of 4 years (reappointment).

Bohdan A. Futey,  
of Ohio, to be Chairman of the Foreign Claims Settlement Commission of the United States for the term expiring September 30, 1988 (reappointment).

Paula V. Smith,  
of Missouri, to be Administrator of the Wage and Hour Division, Department of Labor, vice William M. Otter, resigned.

Janet Hale,  
of Massachusetts, to be an Assistant Secretary of Transportation, vice Donald Allan Derman.

Marilyn Logsdon Mennello,  
of Florida, to be a member of the National Museum Services Board for a term expiring December 6, 1989, vice Elizabeth Helms Adams, resigned.

Mark N. Blitz,  
of Virginia, to be an Associate Director of the United States Information Agency, vice Ronald L. Trowbridge.

Richard M. Scaife,  
of Pennsylvania, to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1988 (reappointment).

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*Submitted January 21—Continued*

David B. Rohr,  
of Maryland, to be a member of the United States International Trade Commission for the term expiring December 16, 1994 (reappointment).

*Withdrawn January 21*

Edward A. Curran,  
of Maryland, to be Chairman of the National Endowment for the Humanities for a term of 4 years, vice William J. Bennett, which was sent to the Senate on April 5, 1985.

Vernon L. Grose,  
of California, to be a member of the National Transportation Safety Board for the term expiring December 31, 1987, vice Francis H. McDams, term expired, which was sent to the Senate on January 3, 1985.

*Submitted January 22*

Robert Q. Whitwell,  
of Mississippi, to be United States Attorney for the Northern District of Mississippi for the term of 4 years, vice Glen H. Davidson, elevated.

Ralph L. Boling,  
of Kentucky, to be United States Marshal for the Western District of Kentucky for the term of 4 years (reappointment).

Emery R. Jordan,  
of Maine, to be United States Marshal for the District of Maine for the term of 4 years (reappointment).

Wayne D. Beaman,  
of Virginia, to be United States Marshal for the Western District of Virginia for the term of 4 years (reappointment).

Paul R. Nolan,  
of Washington, to be United States Marshal for the Eastern District of Washington for the term of 4 years (reappointment).

Frederick N. Falk,  
of Wisconsin, to be United States Marshal for the Western District of Wisconsin for the term of 4 years (reappointment).

Robert T. Keating,  
of Wisconsin, to be United States Marshal for the Eastern District of Wisconsin for the term of 4 years (reappointment).

*Submitted January 22—Continued*

J.J. Simmons III,  
of Oklahoma, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1990 (reappointment).

James L. Malone,  
of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belize.

Richard H. Francis,  
of Virginia, to be President of the Solar Energy and Energy Conservation Bank, vice Joseph S. Bracewell.

Jeffrey I. Zuekerman,  
of Maryland, to be General Counsel of the Equal Employment Opportunity Commission for a term of 4 years, vice David L. Slate, resigned.

Wayne D. Angell,  
of Kansas, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1980, vice Lyle Elden Gramley, resigned.

Manuel H. Johnson,  
of Virginia, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1986, vice J. Charles Partee, term expiring.

Kenneth John Hill,  
of Virginia, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1986, vice Donald D. Engen, resigned.

Barry D. Schreiber,  
of Florida, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 1992, vice Frieda Waldman.

*Submitted January 24*

Gaston Joseph Sigur, Jr.,  
of Maryland, to be an Assistant Secretary of State, vice Paul D. Wolfowitz.

Paul Dundes Wolfowitz,  
of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

Michael P.W. Stone,  
of California, to be an Assistant Secretary of the Army, vice Pringle P. Hillier, resigned.

Robert Lee McElrath,  
of Tennessee, to be a member of the National Council on Educational Research for a term ex-

*Submitted January 24—Continued*

piring September 30, 1987, vice M. Blouke Carus, resigned.

James H. Duff,  
of Pennsylvania, to be a member of the National Museum Services Board for the remainder of the term expiring December 6, 1986, vice Craig C. Black, resigned.

*Submitted January 27*

Andrew John Strenio, Jr.,  
of Maryland, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1982, vice George W. Douglas, resigned.

*Submitted January 29*

Danny J. Boggs,  
of Kentucky, to be United States Circuit Judge for the Sixth Circuit, vice a new position created by P.L. 98-353, approved July 10, 1984.

Jefferson B. Sessions III,  
of Alabama, to be United States District Judge for the Southern District of Alabama, vice a new position created by P.L. 98-353, approved July 10, 1984.

Walter J. Gex III,  
of Mississippi, to be United States District Judge for the Southern District of Mississippi, vice a new position created by P.L. 98-353, approved July 10, 1984.

Thomas J. McAvoy,  
of New York, to be United States District Judge for the Northern District of New York, vice a new position created by P.L. 98-353, approved July 10, 1984.

Sidney A. Fitzwater,  
of Texas, to be United States District Judge for the Northern District of Texas, vice Robert M. Hill, elevated.

*Submitted January 30*

James Albert Michener,  
of Pennsylvania, to be a member of the Board for International Broadcasting for a term expiring April 28, 1987 (reappointment).

Carlos Salman,  
of Florida, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1988 (reappointment).

*Submitted February 3*

David R. Hansen,  
of Iowa, to be United States District Judge for the Northern District of Iowa, vice Edward J. McManus, retired.

Miriam G. Cedarbaum,  
of New York, to be United States District Judge for the Southern District of New York, vice Charles E. Stewart, Jr., retired.

Raymond J. Dearie,  
of New York, to be United States District Judge for the Eastern District of New York, vice a new position created by P.L. 98-353, approved July 10, 1984.

Robert J. Bryan,  
of Washington, to be United States District Judge for the Western District of Washington, vice a new position created by P.L. 98-353, approved July 10, 1984.

Harry Connolly,  
of Oklahoma, to be United States Marshal for the Northern District of Oklahoma for the term of 4 years (reappointment).

*Submitted February 4*

Richard Thomas McCormack,  
of Pennsylvania, to be a member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1988, vice J. William Middendorf II.

Henry K. Oncken,  
of Texas, to be United States Attorney for the Southern District of Texas for the term of 4 years, vice Daniel K. Hedges, resigned.

William I. Berryhill, Jr.,  
of North Carolina, to be United States Marshal for the Eastern District of North Carolina for the term of 4 years (reappointment).

Bruce R. Montgomery,  
of Tennessee, to be United States Marshal for the Eastern District of Tennessee for the term of 4 years (reappointment).

David Alan Heslop,  
of California, to be a member of the National Council on Educational Research for a term expiring September 30, 1986, vice George Charles Roche III, resigned.

David F. Goldberg,  
of Illinois, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1987 (reappointment).

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*Submitted February 7*

J. Daniel Mahoney,  
of New York, to be United States Circuit Judge  
for the Second Circuit, vice a new position cre-  
ated by P.L. 98-353, approved July 10, 1984.

Con. G. Cholakis,  
of New York, to be United States District Judge  
for the Northern District of New York, vice  
Roger J. Miner, elevated.

*Submitted February 11*

Arthur H. Davis,  
of Colorado, to be Ambassador Extraordinary and  
Plenipotentiary of the United States of America  
to the Republic of Panama.

Barbara K. Hackett,  
of Michigan, to be United States District Judge  
for the Eastern District of Michigan, vice Charles  
W. Joiner, retired.

Barbara Lerner,  
of New Jersey, to be Assistant Secretary for Civil  
Rights, Department of Education, vice Harry M.  
Singleton, resigned.

*Submitted February 12*

Donald M. Newman,  
of Indiana, to be Under Secretary of Health and  
Human Services, vice Charles D. Baker, resigned.

*Submitted February 19*

Stephen F. Williams,  
of Colorado, to be United States Circuit Judge for  
the District of Columbia Circuit, vice Malcolm R.  
Wilkey, retired.

Thomas E. Dittmeier,  
of Missouri, to be United States Attorney for the  
Eastern District of Missouri for the term of 4  
years (reappointment).

Alfred C. Sikes,  
of Missouri, to be Assistant Secretary of Com-  
merce for Communications and Information, vice  
David John Markey, resigned.

David B. Gray,  
of Maryland, to be Director of the National Insti-  
tute of Handicapped Research, vice Douglas A.  
Fenderson, resigned.

John A. Bohn, Jr.,  
of Virginia, to be President of the Export-Import  
Bank of the United States for a term of 4 years,  
vice William H. Draper III, resigned.

*Submitted February 21*

Daniel A. Manion,  
of Indiana, to be United States Circuit Judge for  
the Seventh Circuit, vice Wilbur F. Pell, Jr., re-  
tired.

William F. Martin,  
of the District of Columbia, to be Deputy Secre-  
tary of Energy, vice Danny J. Boggs.

David B. Waller,  
of the District of Columbia, to be an Assistant  
Secretary of Energy (International Affairs and  
Energy Emergencies), vice Jan W. Mares, re-  
signed.

Charles J. Chamberlain,  
of Illinois, to be a member of the Railroad Retire-  
ment Board for the term of 5 years from August  
29, 1984 (reappointment).

*Withdrawn February 21*

Glen A. Holden,  
of California, to be a member of the National  
Museum Services Board for a term expiring De-  
cember 6, 1989, vice Anne Carroll Badham, term  
expired, which was sent to the Senate on April  
17, 1985.

Barry D. Schreiber,  
of Florida, to be a Governor of the United States  
Postal Service for the remainder of the term ex-  
piring December 8, 1992, vice Frieda Waldman,  
which was sent to the Senate on January 22,  
1986.

*Submitted February 24*

Richard E. Lyng,  
of Virginia, to be Secretary of Agriculture.

Ronald S. Lauder,  
of New York, to be Ambassador Extraordinary  
and Plenipotentiary of the United States of  
America to the Republic of Austria.

Evan Griffith Galbraith,  
of Connecticut, to be a member of the Board of  
Directors of the Overseas Private Investment  
Corporation for a term expiring December 17,  
1987.

*Submitted February 25*

Eugene R. Sullivan,  
of Maryland, to be a Judge of the United States  
Court of Military Appeals for a term of 15 years,  
vice Albert B. Fletcher, Jr.

*Submitted February 26*

John W. Gill, Jr.,  
of Tennessee, to be United States Attorney for  
the Eastern District of Tennessee for the term of  
4 years (reappointment).

C. Ronald Kimberling,  
of Virginia, to be Assistant Secretary for Postsec-  
ondary Education, Department of Education,  
vice Edward M. Elmendorf, resigned.

John O. Laird,  
of Wisconsin, to be a member of the National  
Advisory Council on Women's Educational Pro-  
grams for a term expiring May 8, 1988, vice  
Eunice S. Thomas, term expired.

James Eugene Burnett, Jr.,  
of Arkansas, to be a member of the National  
Transportation Safety Board for the term expir-  
ing December 31, 1990 (reappointment).

Phyllis P. Berney,  
of Wisconsin, to be a member of the National  
Council on the Arts for a term expiring Septem-  
ber 3, 1990, vice Norman B. Champ, Jr., term  
expired.

*Submitted March 3*

John A. Pendergrass,  
of Minnesota, to be an Assistant Secretary of  
Labor, vice Robert A. Rowland, resigned.

Joseph Trippe Nall,  
of North Carolina, to be a member of the Nation-  
al Transportation Safety Board for the remainder  
of the term expiring December 31, 1987, vice  
Vernon L. Grose.

*Submitted March 10*

Robert Ortner,  
of New Jersey, to be Under Secretary of Com-  
merce for Economic Affairs, vice Sidney Lewis  
Jones, resigned.

Donald W. Peterson,  
of Missouri, to be Deputy Commissioner of Pat-  
ents and Trademarks, vice Donald James Quigg,  
resigned.

Clair W. Burgener,  
of California, to be a member of the Board for  
International Broadcasting for a term expiring  
April 28, 1988 (reappointment).

C.C. Hope, Jr.,  
of North Carolina, to be a member of the Board  
of Directors of the Federal Deposit Insurance  
Corporation for a term of 6 years, vice Irvine  
Henry Sprague, term expired.

*Submitted March 10—Continued*

Thomas K. Turnage,  
of California, to be Administrator of Veterans Af-  
fairs, vice Harry N. Walters, resigned.

*Submitted March 12*

Kenneth L. Ryskamp,  
of Florida, to be United States District Judge for  
the Southern District of Florida, vice Joe Eaton.

Salvatore R. Martoche,  
of New York, to be an Assistant Secretary of  
Labor, vice John J. O'Donnell.

Patricia Diaz Dennis,  
of Virginia, to be a member of the Federal Com-  
munications Commission for the unexpired term  
of 7 years from July 1, 1980, vice Henry M.  
Rivera, resigned.

*Submitted March 14*

George R. Salem,  
of Virginia, to be Solicitor for the Department of  
Labor, vice Francis X. Lilly, resigned.

*Submitted March 17*

K. William O'Connor,  
of Virginia, to be United States Attorney for the  
District of Guam and concurrently United States  
Attorney for the District of the Northern Mariana  
Islands for the term of 4 years, vice David T.  
Wood, term expired.

Joe D. Whitley,  
of Georgia, to be United States Attorney for the  
Middle District of Georgia for the term of 4 years  
(reappointment).

Lynn H. Duncan,  
of Georgia, to be United States Marshal for the  
Northern District of Georgia for the term of 4  
years (reappointment).

*Submitted March 18*

William L. Roper,  
of Alabama, to be Administrator of the Health  
Care Financing Administration (new position).

*Submitted March 20*

Dorcas R. Hardy,  
of California, to be Commissioner of Social Secu-  
rity, vice John A. Svahn, resigned.

*Submitted March 24*

Robert M. Gates,  
of Virginia, to be Deputy Director of Central  
Intelligence, vice John N. McMahon, resigned.

## *Appendix B / Administration of Ronald Reagan, 1986*

### *Submitted March 24—Continued*

Henry Bowen Frazier III,  
of Virginia, to be a member of the Federal Labor  
Relations Authority for a term of 5 years expiring  
July 1, 1990 (reappointment).

### *Submitted March 25*

Marshall A. Staunton,  
of California, to be Administrator of the Econom-  
ic Regulatory Administration, vice Rayburn D.  
Hanzlik, resigned.

### *Submitted March 26*

James Larry Edmondson,  
of Georgia, to be United States Circuit Judge for  
the Eleventh Circuit, vice Albert J. Henderson,  
retired.

Andrew J. Kleinfeld,  
of Alaska, to be United States District Judge for  
the District of Alaska, vice a new position created  
by P.L. 98-353, approved July 10, 1984.

J. Roger Mentz,  
of New Jersey, to be an Assistant Secretary of the  
Treasury, vice Ronald Alan Pearlman, resigned.

Frank H. Dunkle,  
of Montana, to be Director of the United States  
Fish and Wildlife Service, vice Robert A. Jantzen,  
resigned.

Morris I. Leibman,  
of Illinois, to be a member of the Board of Direc-  
tors of the United States Institute of Peace for a  
term of 2 years expiring January 19, 1987 (new  
position).

### *Submitted March 27*

Roger Milton Olsen,  
of Virginia, to be an Assistant Attorney General,  
vice Glenn L. Archer, Jr., resigned.

Sonia Landau,  
of New York, to be a member of the Board of  
Directors of the Corporation for Public Broad-  
casting for a term expiring March 26, 1991 (reap-  
pointment).

The following-named persons to be members of  
the National Council on the Handicapped for  
terms expiring September 17, 1988:

John F. Mills, of Virginia, vice Robert V. Bush,  
term expired.

Robert S. Muller, of Michigan, vice Hunt  
Hamill, term expired.

Brenda Premo, of California, vice Henry Vis-  
cardi, Jr., term expired.

### *Submitted March 27—Continued*

Phyllis D. Zlotnick, of Connecticut, vice R.  
Budd Gould, term expired.

### *Submitted April 7*

Frank W. Donaldson,  
of Alabama, to be United States Attorney for the  
Northern District of Alabama for the term of 4  
years (reappointment).

Henry E. Hudson,  
of Virginia, to be United States Attorney for the  
Eastern District of Virginia for the term of 4  
years, vice Elsie L. Munsell, resigned.

James P. Jonker,  
of Iowa, to be United States Marshal for the  
Northern District of Iowa for the term of 4 years  
(reappointment).

Laurence C. Beard,  
of Oklahoma, to be United States Marshal for the  
Eastern District of Oklahoma for the term of 4  
years (reappointment).

### *Submitted April 8*

Alfred J. Lechner, Jr.,  
of New Jersey, to be United States District Judge  
for the District of New Jersey, vice Frederick B.  
Lacy, resigned.

Richard J. Fitzgerald,  
of Illinois, to be a member of the Board of Trust-  
ees of the Harry S. Truman Scholarship Founda-  
tion for a term expiring December 10, 1991 (re-  
appointment).

### *Submitted April 9*

Paul H. Nitze,  
of the District of Columbia, to be Ambassador at  
Large.

Patricia C. Fawcett,  
of Florida, to be United States District Judge for  
the Middle District of Florida, vice John A. Reed,  
Jr., resigned.

Jean McKee,  
of the District of Columbia, to be a member of  
the Federal Labor Relations Authority for the  
remainder of the term expiring July 1, 1989, vice  
William J. McGinnis, Jr.

### *Submitted April 10*

Robert Clifton Duncan,  
of Massachusetts, to be an Assistant Secretary of  
Defense, vice Robert S. Cooper, resigned.

*Submitted April 10—Continued*

Mary Kate Bush,  
of the District of Columbia, to be United States Alternate Executive Director of the International Monetary Fund for a term of 2 years (reappointment).

*Submitted April 14*

J. Edward Fox,  
of the District of Columbia, to be an Assistant Secretary of State, vice William Lockhart Ball III.

Robert Brendon Keating,  
of the District of Columbia, to be United States Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, vice James B. Burnham, resigned.

Lilla Burt Cummings Tower,  
of Texas, to be a member of the Board for International Broadcasting for a term expiring May 20, 1986, vice Frank Shakespeare.

Lilla Burt Cummings Tower,  
of Texas, to be a member of the Board for International Broadcasting for the remainder of the term expiring May 20, 1989 (reappointment).

J. Michael Hudson,  
of Texas, to be a Deputy Under Secretary of the Treasury, vice Bruce E. Thompson, Jr., resigned.

*Submitted April 15*

Warren Zimmermann,  
of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador in his capacity as Chief of the United States delegation to the Vienna Conference on Security and Cooperation in Europe follow-up meeting.

Breckinridge L. Willcox,  
of Maryland, to be United States Attorney for the District of Maryland for the term of 4 years, vice J. Frederick Motz, resigned.

Daniel R. Levinson,  
of Virginia, to be a member of the Merit Systems Protection Board for the term of 7 years expiring March 1, 1993, vice Herbert E. Ellingwood.

Daniel R. Levinson,  
of Virginia, to be Chairman of the Merit Systems Protection Board, vice Herbert E. Ellingwood.

*Submitted April 16*

James C. Fletcher,  
of Virginia, to be Administrator of the National Aeronautics and Space Administration, vice James Montgomery Beggs, resigned.

*Submitted April 22*

Ronald Frank Lehman II,  
of Virginia, for the rank of Ambassador during his tenure of service as United States Negotiator for Strategic Nuclear Arms, vice John Goodwin Tower.

Alan E. Norris,  
of Ohio, to be United States Circuit Judge for the Sixth Circuit, vice Leroy J. Conti, Jr., retired.

John G. Davies,  
of California, to be United States District Judge for the Central District of California, vice Cynthia Holcomb Hall, elevated.

Douglas P. Woodlock,  
of Massachusetts, to be United States District Judge for the District of Massachusetts, vice W. Arthur Garrity, Jr., retired.

David Hittner,  
of Texas, to be United States District Judge for the Southern District of Texas, vice George E. Cire, deceased.

*Submitted April 23*

William F. Ryan,  
of New Jersey, to be First Vice President of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 1989, vice John A. Bohn, Jr.

*Withdrawn April 23*

Kenneth John Hill,  
of Virginia, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1986, vice Donald D. Engen, resigned, which was sent to the Senate on January 22, 1986.

*Submitted April 24*

Christopher Hicks,  
of Maryland, to be General Counsel of the Department of Agriculture, vice Daniel Oliver.

Evelyn E. Crawford Queen,  
of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for a term of 15 years, vice George H. Revercomb.

*Submitted April 28*

Lynne Vincent Cheney,  
of Wyoming, to be Chairperson of the National Endowment for the Humanities for a term of 4 years, vice William J. Bennett.

*Appendix B / Administration of Ronald Reagan, 1986*

*Submitted May 7*

M.D.B. Carlisle,  
of the District of Columbia, to be an Assistant  
Secretary of Defense, vice Russell A. Rourke, re-  
signed.

A. David Rossin,  
of California, to be an Assistant Secretary of  
Energy (Nuclear Energy), vice Shelby Templeton  
Brewer, resigned.

The following-named persons to be members of  
the National Advisory Council on Women's  
Educational Programs for terms expiring May 8,  
1989:

Marge Bodwell, of New Mexico (reappoint-  
ment).

Naomi Brummond, of Nebraska, vice Mary Jo  
Arndt.

Lilli K. Dollinger Hausenfluck, of Virginia (re-  
appointment).

Marcilyn D. Leier, of Minnesota (reappoint-  
ment).

Virginia Gillham Tinsley, of Arizona (reap-  
pointment).

John Agresto,  
of the District of Columbia, to be Archivist of the  
United States (new position).

R. Kenneth Towery,  
of Texas, to be a member of the Board of Direc-  
tors of the Corporation for Public Broadcasting  
for a term expiring March 26, 1991 (reappoint-  
ment).

Marvin Duncan,  
of Missouri, to be a member of the Farm Credit  
Administration Board, Farm Credit Administra-  
tion, for a term of 4 years.

Frank W. Naylor, Jr.,  
of Virginia, to be a member of the Farm Credit  
Administration Board, Farm Credit Administra-  
tion, for a term of 6 years.

*Submitted May 12*

John Dale Blacken,  
of Washington, a career member of the Senior  
Foreign Service, Class of Minister-Counselor, to  
be Ambassador Extraordinary and Plenipotentiary  
of the United States of America to the Republic  
of Guinea-Bissau.

Paul Matthews Cleveland,  
of Florida, a career member of the Senior For-  
eign Service, Class of Minister-Counselor, now  
Ambassador Extraordinary and Plenipotentiary of  
the United States of America to New Zealand, to  
serve concurrently and without additional com-

*Submitted May 12—Continued*

pensation as Ambassador Extraordinary and Plen-  
ipotentiary of the United States of America to  
Western Samoa.

Patricia Gates Lynch,  
of the District of Columbia, to be Ambassador  
Extraordinary and Plenipotentiary of the United  
States of America to the Democratic Republic of  
Madagascar and to serve concurrently and with-  
out additional compensation as Ambassador Ex-  
traordinary and Plenipotentiary of the United  
States of America to the Federal and Islamic Re-  
public of the Comoros.

Vernon Dubois Penner, Jr.,  
of New York, a career member of the Senior  
Foreign Service, Class of Counselor, to be Amba-  
sador Extraordinary and Plenipotentiary of the  
United States of America to the Republic of Cape  
Verde.

Harry W. Shlaudeman,  
of California, a career member of the Senior For-  
eign Service, Class of Career Minister, to be Am-  
bassador Extraordinary and Plenipotentiary of  
the United States of America to the Federative  
Republic of Brazil.

Edward C. Aldridge, Jr.,  
of Virginia, to be Secretary of the Air Force, vice  
Russell A. Rourke, resigned.

Peter C. Myers,  
of Missouri, to be Deputy Secretary of Agricul-  
ture, vice John R. Norton III, resigned.

Robert B. Helms,  
of Maryland, to be an Assistant Secretary of  
Health and Human Services, vice Robert J.  
Rubin, resigned.

Robert E. Windom,  
of Florida, to be an Assistant Secretary of Health  
and Human Services, vice Edward N. Brandt, Jr.,  
resigned.

Theodore J. Garrish,  
of Virginia, to be Federal Inspector for the  
Alaska Natural Gas Transportation System, vice  
John T. Rhett, resigned.

Clarence Thomas,  
of Missouri, to be a member of the Equal Em-  
ployment Opportunity Commission for the term  
expiring July 1, 1991 (reappointment).

George Woloshyn,  
of Virginia, to be an Associate Director of the  
Federal Emergency Management Agency, vice  
Charles M. Girard, resigned.



*Submitted May 12—Continued*

Edward V. Hickey, Jr.,  
of Virginia, to be a Federal Maritime Commissioner for the term expiring June 30, 1991 (reappointment).

*Submitted May 14*

William D. Stiehl,  
of Illinois, to be United States District Judge for the Southern District of Illinois, vice a new position created by P.L. 98-353, approved July 10, 1984.

John E. Conway,  
of New Mexico, to be United States District Judge for the District of New Mexico, vice Bobby Ray Baldock, elevated.

Edwin M. Kosik,  
of Pennsylvania, to be United States District Judge for the Middle District of Pennsylvania, vice Malcolm Muir, retired.

J. Michael Fitzhugh,  
of Arkansas, to be United States Attorney for the Western District of Arkansas for the term of 4 years, vice W. Asa Hutchinson, resigned.

Leon B. Kellner,  
of Florida, to be United States Attorney for the Southern District of Florida for the term of 4 years, vice Stanley I. Marcus, resigned.

Hinton R. Pierce,  
of Georgia, to be United States Attorney for the Southern District of Georgia for the term of 4 years (reappointment).

James G. Richmond,  
of Indiana, to be United States Attorney for the Northern District of Indiana for the term of 4 years, vice R. Lawrence Steele, Jr., resigned.

Jerome G. Arnold,  
of Minnesota, to be United States Attorney for the District of Minnesota for the term of 4 years, vice James M. Rosenbaum, resigned.

Andrew J. Maloney,  
of New York, to be United States Attorney for the Eastern District of New York for the term of 4 years, vice Raymond J. Dearie, resigned.

Joe B. Brown,  
of Tennessee, to be United States Attorney for the Middle District of Tennessee for the term of 4 years (reappointment).

*Submitted May 14—Continued*

Brent D. Ward,  
of Utah, to be United States Attorney for the District of Utah for the term of 4 years (reappointment).

John Perry Alderman,  
of Virginia, to be United States Attorney for the Western District of Virginia for the term of 4 years (reappointment).

Joseph P. Stadtmueller,  
of Wisconsin, to be United States Attorney for the Eastern District of Wisconsin for the term of 4 years (reappointment).

Warren D. Stump,  
of Iowa, to be United States Marshal for the Southern District of Iowa for the term of 4 years (reappointment).

Denny L. Sampson,  
of Nevada, to be United States Marshal for the District of Nevada for the term of 4 years (reappointment).

Donald W. Wyatt,  
of Rhode Island, to be United States Marshal for the District of Rhode Island for the term of 4 years (reappointment).

Joyce Doyle,  
of New York, to be a member of the Federal Mine Safety and Health Review Commission for a term expiring August 30, 1992 (reappointment).

Diana D. Denman,  
of Texas, to be a member of the National Museum Services Board for a term expiring December 6, 1990, vice Liles B. Williams, term expired.

The following-named persons to be members of the Peace Corps National Advisory Council for the terms indicated (new positions):

*For terms of 1 year expiring November 29, 1986:*

Frank C. Kiehne, of Pennsylvania.  
Gary D. Robinson, of Washington.  
Laren R. Robison, of Utah.  
Sue Wagner, of Nevada.

*For terms of 2 years expiring November 29, 1987:*

Paul Koehler, of Texas.  
Alice Roxana Thompson, of Virginia.

*Submitted May 16*

Cynthia Shepard Perry,  
of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Sierra Leone.

*Appendix B / Administration of Ronald Reagan, 1986*

*Submitted May 16—Continued*

David Lowenthal,  
of Massachusetts, to be a member of the National Council on the Humanities for a term expiring January 26, 1992, vice Marcus Cohn, term expired.

Crocker Nevin,  
of New York, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 1992, vice Frieda Waldman.

*Submitted May 19*

George S. Dunlop,  
of North Carolina, to be an Assistant Secretary of Agriculture, vice Peter C. Myers.

John W. Roberts,  
of Arizona, to be United States Marshal for the District of Arizona for the term of 4 years (reappointment).

*Submitted May 21*

J. Michael Dorsey,  
of Missouri, to be an Assistant Secretary of Housing and Urban Development, vice Warren T. Lindquist, resigned.

William H. Ewing, Jr.,  
of Tennessee, to be United States Attorney for the Western District of Tennessee for the term of 4 years (reappointment).

*Submitted May 28*

Jonathan Moore,  
of Massachusetts, to be United States Coordinator for Refugee Affairs and Ambassador at Large while serving in this position, vice Howard Eugene Douglas, resigned.

Peter R. Greer,  
of Maine, to be Deputy Under Secretary for Intergovernmental and Interagency Affairs, Department of Education, vice A. Wayne Roberts.

Kalo A. Hineman,  
of Kansas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring June 19, 1991 (reappointment).

James S. Rosebush,  
of the District of Columbia, to be a member of the National Museum Services Board for a term expiring December 6, 1989, vice Anne Carroll Badham, resigned.

*Submitted May 28—Continued*

Creighton E. Mershon,  
of Kentucky, to be a member of the Peace Corps National Advisory Council for a term of 2 years expiring November 29, 1987 (new position).

*Submitted May 29*

Frank G. Wisner,  
of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Arab Republic of Egypt.

G. Norman Anderson,  
of Florida, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Sudan.

*Submitted June 2*

D. Lowell Jensen,  
of Virginia, to be United States District Judge for the Northern District of California, vice William H. Orrick, Jr., retired.

*Submitted June 3*

Michael R. Darby,  
of Texas, to be an Assistant Secretary of the Treasury, vice Manuel H. Johnson, Jr., resigned.

Lawrence B. Gibbs,  
of Texas, to be Commissioner of Internal Revenue, vice Roscoe L. Egger, Jr., resigned.

William W. Wilkins, Jr.,  
of South Carolina, to be United States Circuit Judge for the Fourth Circuit, vice Emory M. Sneed, resigned.

Karen LeCraft Henderson,  
of South Carolina, to be United States District Judge for the District of South Carolina, vice William W. Wilkins, Jr.

Manuel H. Johnson,  
of Virginia, to be Vice Chairman of the Board of Governors of the Federal Reserve System for a term of 4 years, vice Preston Martin, resigned.

*Submitted June 5*

Ann Barbara Wroblewski,  
of Maryland, to be Assistant Secretary of State for International Narcotics Matters, vice Jon R. Thomas, resigned.

*Administration of Ronald Reagan, 1986 / Appendix B*

*Submitted June 5—Continued*

Robie Marcus Hooker Palmer, of Vermont, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Hungary.

Donna Pope, of Ohio, to be Director of the Mint for a term of 5 years (reappointment).

Saundra Brown Armstrong, of Virginia, to be a Commissioner of the United States Parole Commission for a term of 6 years, vice Helen G. Corrothers, resigned.

Kenneth A. Gilles, of Virginia, to be an Assistant Secretary of Agriculture, vice Raymond D. Lett, resigned.

Kenneth A. Gilles, of Virginia, to be a member of the Board of Directors of the Commodity Credit Corporation, vice C.W. McMillan, resigned.

Robert W. Beuley, of Virginia, to be an Inspector General, Department of Agriculture, vice John V. Graziano, resigned.

Ronald F. Docksai, of Virginia, to be an Assistant Secretary of Health and Human Services, vice John F. Scruggs.

James E. Colvard, of Virginia, to be Deputy Director of the Office of Personnel Management, vice Loretta Cornelius.

*Submitted June 6*

Charles R. Simpson III, of Kentucky, to be United States District Judge for the Western District of Kentucky, vice Charles M. Allen.

*Submitted June 11*

Kathleen W. Lawrence, of Virginia, to be Under Secretary of Agriculture for Small Community and Rural Development, vice Frank W. Naylor, Jr.

Kathleen W. Lawrence, of Virginia, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Frank W. Naylor, Jr.

*Submitted June 16*

Brunson McKinley, of New Jersey, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the

*Submitted June 16—Continued*

United States of America to the Republic of Haiti.

Thomas Lynch Adams, Jr., of Kentucky, to be an Assistant Administrator of the Environmental Protection Agency, vice Courtney M. Price, resigned.

John J. Petillo, of New Jersey, to be a member of the Peace Corps National Advisory Council for a term of 2 years expiring November 29, 1987 (new position).

*Submitted June 19*

James Malone Theodore Rentschler, of Pennsylvania, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.

Rear Adm. Francis D. Moran, National Oceanic and Atmospheric Administration, to be Director of the Commissioned Officer Corps, National Oceanic and Atmospheric Administration, vice Rear Adm. Kelly E. Taggart.

Carol Fraser Fisk, of Virginia, to be Commissioner on Aging, vice Marie P. Tolliver, resigned.

Milton Frank, of California, to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring February 9, 1990, vice A.C. Arterbery, resigned.

Simon C. Fireman, of Massachusetts, to be a member of the Board of Directors of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 1987, vice Richard H. Hughes, resigned.

Calvin Henry Raullerson, of Texas, to be a member of the Peace Corps National Advisory Council for a term of 1 year expiring November 29, 1986 (new position).

*Submitted June 20*

William H. Rehnquist, of Virginia, to be Chief Justice of the United States.

Arnold I. Burns, of New York, to be Deputy Attorney General, vice D. Lowell Jensen, resigning.

*Appendix B / Administration of Ronald Reagan, 1986*

*Submitted June 20—Continued*

Mary P. Wieseman,  
of Maryland, to be Special Counsel of the Merit  
Systems Protection Board for a term of 5 years,  
vice K. William O'Connor, resigned.

*Submitted June 24*

Antonin Scalia,  
of Virginia, to be an Associate Justice of the Su-  
preme Court of the United States, vice William  
H. Rehnquist.

Mary McNally Rose,  
of Maryland, to be Deputy Under Secretary for  
Management, Department of Education, vice  
Linda M. Combs, resigned.

Justin W. Dart, Jr.,  
of Texas, to be Commissioner of the Rehabilita-  
tion Services Administration, vice George A.  
Conn, resigned.

*Submitted June 24—Continued*

The following-named persons to be members of  
the Board of Directors of the Legal Services  
Corporation for terms expiring July 13, 1989:

Leanne Bernstein, of Maryland (reappoint-  
ment).

Claude Galbreath Swafford, of Tennessee (re-  
appointment).

Robert A. Valois, of North Carolina (reappoint-  
ment).

Kenneth M. Carr,  
of California, to be a member of the Nuclear  
Regulatory Commission for the term of 5 years  
expiring June 30, 1991, vice Nunzio J. Palladino,  
term expiring.

*Submitted June 26*

John H. Suda,  
of the District of Columbia, to be an Associate  
Judge of the Superior Court of the District of  
Columbia for a term of 15 years, vice H. Carl  
Moultrie, deceased.

## Appendix C—Checklist of White House Press Releases

*The following list contains releases of the Office of the Press Secretary which are not included in this book.*

### *Released January 3*

Advance text:  
Remarks at the arrival ceremony in Mexicali, Mexico

### *Released January 7*

Fact sheet:  
Executive order imposing economic sanctions against Libya

Statement by the President:  
Economic sanctions against Libya (as read at the news conference)

### *Released January 8*

Statement:  
Unemployment rate for December 1985—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Announcement:  
Nomination of Lee Koury to be United States Marshal for the Western District of Missouri

Announcement:  
Nomination of J. Jerome Perkins to be United States Marshal for the Northern District of Indiana

Announcement:  
Nomination of William S. Vaughn to be United States Marshal for the Eastern District of Missouri

Announcement:  
Reappointment of Richard S. Cohen as the United States Attorney for the District of Maine

Announcement:  
Nomination of Eric G. Bruggink to be a Judge of the United States Claims Court

Announcement:  
Nomination of Ronald R. Lagueux to be United States District Judge for the District of Rhode Island

### *Released January 8—Continued*

Announcement:  
Nomination of Lawrence P. Zatkoff to be United States District Judge for the Eastern District of Michigan

Transcript:  
Press briefing on the economic sanctions against Libya—by senior administration officials

### *Released January 10*

Statement:  
Producer Price Index for December 1985 and the entire year—by Larry M. Speakes, Principal Deputy Press Secretary to the President

### *Released January 14*

Announcement:  
Nomination of Frank J. Magill to be United States Circuit Judge for the Eighth Circuit

Statement:  
Retail sales for December 1985—by Larry M. Speakes, Principal Deputy Press Secretary to the President

### *Released January 15*

Announcement:  
Nomination of Pasquale A. Mangini to be United States Marshal for the District of Connecticut, Ralph D. Morgan to be United States Marshal for the Southern District of Indiana, and John R. Kendall to be United States Marshal for the Western District of Michigan

Advance text:  
Remarks to the students and faculty of Martin Luther King, Jr. Elementary School

Transcript:  
Press briefing on the Federal budget and the Gramm-Rudman-Hollings amendment—by James C. Miller III, Director of the Office of Management and Budget

### *Released January 16*

Announcement:  
Nomination of Marian Blank Horn to be a Judge of the United States Claims Court

*Appendix C / Administration of Ronald Reagan, 1986*

*Released January 17*

Statement:  
Housing starts for December 1985—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released January 21*

Transcript:  
Press briefing on the United Way of America report—by Chairman James D. Robinson III

*Released January 22*

Statement:  
Real gross national product for the fourth quarter of 1985—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Announcement:  
Nomination of Robert Q. Whitwell to be United States Attorney for the Northern District of Mississippi

Announcement:  
Nomination of Wayne D. Beaman to be United States Marshal for the Western District of Virginia, Ralph L. Boling to be United States Marshal for the Western District of Kentucky, Frederick N. Falk to be United States Marshal for the Western District of Wisconsin, Emery R. Jordan to be United States Marshal for the District of Maine, Robert T. Keating to be United States Marshal for the Eastern District of Wisconsin, and Paul R. Nolan to be United States Marshal for the Eastern District of Washington

*Released January 23*

Statement:  
Personal income and spending figures for December 1985—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released January 28*

Statement:  
Response to speculation concerning a Soviet defector—by John M. Poindexter, Assistant to the President for National Security Affairs

*Released January 30*

Statement:  
Leading and coincident economic indicators for December 1985—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Statement:  
Philippine elections—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released January 30—Continued*

Advance text:  
Remarks at the Conservative Political Action Conference dinner

Advance text:  
Remarks at the memorial service for the crew of the space shuttle *Challenger* at the Johnson Space Center in Houston, TX

*Released January 31*

Statement:  
New single-family homes sales for December 1985—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released February 1*

Fact sheet:  
Order and message under the Balanced Budget and Emergency Deficit Control Act of 1985

*Released February 3*

Announcement:  
Nomination of Raymond J. Dearie to be United States District Judge for the Eastern District of New York

Announcement:  
Nomination of Harry Connolly to be United States Marshal for the Northern District of Oklahoma

Transcript:  
Press briefing on the formation of the Presidential Commission on the Space Shuttle *Challenger* Accident—by Larry M. Speakes, Principal Deputy Press Secretary to the President; William P. Rogers; Neil Armstrong; and William R. Graham, Acting Director of the National Aeronautics and Space Administration

*Released February 4*

Announcement:  
Nomination of Henry K. Oncken to be United States Attorney for the Southern District of Texas

Announcement:  
Nomination of Bruce R. Montgomery to be United States Marshal for the Eastern District of Tennessee

Announcement:  
Nomination of William I. Berryhill, Jr., to be United States Marshal for the Eastern District of North Carolina

Advance text:  
State of the Union Address

*Released February 4—Continued*

Fact sheet:  
State of the Union Address

*Released February 5*

Transcript:  
Press briefing on the President's 1987 fiscal year budget—by Senate Majority Leader Robert Dole and House Minority Leader Robert H. Michel

Transcript:  
Press briefing on the President's 1987 fiscal year budget—by Secretary of the Treasury James A. Baker III; Beryl W. Sprinkel, Chairman of the Council of Economic Advisers; and James C. Miller III, Director of the Office of Management and Budget

*Released February 6*

Fact sheet:  
America's Agenda for the Future

Advance text:  
Remarks at the 1986 Reagan Administration Executive Forum

*Released February 7*

Statement:  
Unemployment rate figures for January—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Advance text:  
Remarks to the students and faculty of Thomas Jefferson High School for Science and Technology in Fairfax County, VA

*Released February 8*

Announcement:  
Nomination of J. Daniel Mahoney to be United States Circuit Judge for the Second Circuit

Announcement:  
Nomination of Con. G. Cholakakis to be United States District Judge for the Northern District of New York

*Released February 11*

Transcript:  
Press briefing on the findings of the Presidential Observer Delegation to the Philippine Presidential Election—by Senator Richard G. Lugar and Congressman John P. Murtha, Cochairmen of the delegation

*Released February 11—Continued*

Announcement:  
Nomination of Barbara K. Hackett to be United States District Judge for the Eastern District of Michigan

*Released February 12*

Advance text:  
Remarks at a fundraiser for former Gov. Christopher (Kit) S. Bond in St. Louis, MO

*Released February 14*

Statement:  
Producer Price Index for January—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released February 19*

Statement:  
Housing starts for January—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Announcement:  
Nomination of Thomas E. Dittmeier to be United States Attorney for the Eastern District of Missouri

Announcement:  
Nomination of Stephen F. Williams to be United States Circuit Judge for the District of Columbia Circuit

*Released February 20*

Advance text:  
Remarks to citizens in St. George's, Grenada

Fact sheet:  
Proposed initiatives referred to in the President's remarks in St. George's, Grenada

*Released February 21*

Announcement:  
Nomination of Daniel A. Manion to be United States Circuit Judge for the Seventh Circuit

*Released February 24*

Announcement:  
Nomination of Eugene R. Sullivan to be a Judge of the United States Court of Military Appeals

*Released February 25*

Statement:  
Consumer Price Index for January—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Appendix C / Administration of Ronald Reagan, 1986*

*Released February 25—Continued*

Fact sheet:

Summary of the President's request to Congress for United States assistance for the Nicaraguan democratic resistance

Announcement:

Nomination of John W. Gill, Jr., to be United States Attorney for the Eastern District of Tennessee

Fact sheet:

Federal productivity improvement program and Executive order revocation

Transcript:

Press briefing on the situation in the Philippines and U.S. recognition of the Government of President Corazon C. Aquino—by Secretary of State George P. Shultz

*Released February 26*

Fact sheet:

Address to the Nation on peace and national security

*Released March 3*

Transcript:

Press briefing on United States assistance for the Nicaraguan democratic resistance—by Assistant Secretary of State for Inter-American Affairs Elliott Abrams

*Released March 4*

Statement:

Leading economic indicators for January—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Transcript:

Press briefing on the Department of Education's report entitled "What Works"—by Secretary of Education William J. Bennett

*Released March 5*

Statement:

Single-family home sales for January—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released March 6*

Transcript:

Press briefing on the report of the Vice President's Task Force on Combatting Terrorism—by the Vice President

*Released March 6—Continued*

Transcript:

Press briefing on the report of the Vice President's Task Force on Combatting Terrorism—by Adm. James Holloway III, Executive Director of the task force

Transcript:

Press briefing on United States assistance for the Nicaraguan democratic resistance—by *contra* leaders Adolpho Calero, Arturo Cruz, and Alfonso Robelo

*Released March 7*

Statement:

Unemployment rate for February—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Transcript:

Press briefing on the unemployment rate for February and other economic issues—by Beryl W. Sprinkel, Chairman of the Council of Economic Advisers

*Released March 10*

Advance text:

Remarks at a dinner for the congressional leadership

*Released March 12*

Announcement:

National Medals of Science and Technology awards

Announcement:

National Medals of Science and Technology recipients

Announcement:

Nomination of Kenneth L. Ryskamp to be United States District Judge for the Southern District of Florida

*Released March 14*

Statement:

Producer Price Index for February—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released March 16*

Advance text:

Address to the Nation on Nicaragua

Fact sheet:

Address to the Nation on Nicaragua



*Released March 17*

Announcement:

Nomination of K. William O'Connor to be United States Attorney for the District of Guam and concurrently United States Attorney for the District of the Northern Mariana Islands

Announcement:

Nomination of Joe D. Whitley to be reappointed as the United States Attorney for the Middle District of Georgia

Announcement:

Nomination of Lynn H. Duncan to be United States Marshal for the Northern District of Georgia

Advance text:

Remarks at a dinner honoring Thomas P. O'Neill, Jr., Speaker of the House of Representatives

*Released March 18*

Statement:

Housing starts for February—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released March 19*

Statement:

Gross national product for fourth quarter of 1985—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released March 20*

Statement:

Personal income for February—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Transcript:

Press briefing on the upcoming vote in the Senate on United States assistance for the Nicaraguan democratic resistance—by Senate Majority Leader Robert Dole and Senator Richard G. Lugar, chairman of the Senate Foreign Relations Committee

*Released March 25*

Statement:

Consumer Price Index for February—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released March 26*

Announcement:

Nomination of James Larry Edmondson to be United States Circuit Judge for the Eleventh Circuit

Announcement:

Nomination of Andrew J. Kleinfeld to be United States District Judge for the District of Alaska

*Released March 27*

Advance text:

Remarks at a fundraiser for Congressman W. Henson Moore in New Orleans, LA

Statement:

U.S. trade deficit for February—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released March 28*

Announcement:

Nomination of Frank W. Donaldson to be United States Attorney for the Northern District of Alabama

Announcement:

Nomination of Henry E. Hudson to be United States Attorney for the Eastern District of Virginia

Announcement:

Nomination of James P. Jonker to be United States Marshal for the Northern District of Iowa and Laurence C. Beard to be United States Marshal for the Eastern District of Oklahoma

Statement:

Leading economic indicators for February—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released March 31*

Statement:

Single-family home sales for February—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Fact sheet:

Foreign unfair trade practices

*Released April 2*

Fact sheet:

Summary of a directive implementing the recommendations of the Blue Ribbon Commission on Defense Management

*Appendix C / Administration of Ronald Reagan, 1986*

*Released April 4*

Statement:

Unemployment rate for March—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released April 8*

Transcript:

Press briefing following the President's meeting with Soviet Ambassador Anatoliy F. Dobrynin to discuss the prospective Soviet-U.S. summit meeting in the United States and a preparatory meeting between Secretary of State George P. Shultz and Soviet Minister of Foreign Affairs Eduard A. Shevardnadze—by Secretary of State George P. Shultz

Announcement:

Nomination of Alfred J. Lechner, Jr., to be United States District Judge for the District of New Jersey

*Released April 9*

Announcement:

Nomination of Patricia C. Fawsett to be United States District Judge for the Middle District of Florida

*Released April 10*

Transcript:

Press briefing following the President's meeting with Democratic Congressmen to discuss United States assistance for the Nicaraguan democratic resistance—by Congressmen Les Aspin of Wisconsin and Dante B. Fascell of Florida

*Released April 11*

Statement:

Producer Price Index, energy price index, and retail sales for March—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released April 14*

Transcript:

Press briefing on the U.S. air strike against Libya—by Secretary of State George P. Shultz and Secretary of Defense Caspar W. Weinberger

*Released April 15*

Announcement:

Nomination of Breckinridge L. Willcox to be United States Attorney for the District of Maryland

*Released April 16*

Statement:

Housing starts in March—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Fact sheet:

Conference on Confidence and Security Building Measures and Disarmament in Europe

*Released April 17*

Statement:

Gross national product for the first quarter and the Democratic leadership of the House of Representatives views on the budget—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released April 18*

Advance text:

Remarks at a fundraiser for Senator Alfonse M. D'Amato in New York, NY

*Released April 22*

Statement:

Consumer Price Index for March—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Announcement:

Nomination of Douglas P. Woodlock to be United States District Judge for the District of Massachusetts

Announcement:

Nomination of David Hittner to be United States District Judge for the Southern District of Texas

Announcement:

Nomination of John G. Davies to be United States District Judge for the Central District of California

Announcement:

Nomination of Alan E. Norris to be United States Circuit Judge for the Sixth Circuit

Advance text:

Remarks at the 10th anniversary dinner of the Heritage Foundation

*Released April 23*

Advance text:

Remarks to the International Forum of the Chamber of Commerce of the United States

*Released April 23—Continued*

Transcript:

Press briefing on aid to the Philippines—by M. Peter McPherson, Administrator, Agency for International Development; and Edward P. Djerjejian, Special Assistant to the President and Deputy Press Secretary for Foreign Affairs

*Released April 24*

Announcement:

Nomination of Evelyn E. Crawford Queen to be an Associate Judge of the Superior Court of the District of Columbia

*Released April 25*

Advance text:

Remarks on departure for the trip to Indonesia and Japan

*Released April 26*

Advance text:

Remarks on arrival at Hickam Air Force Base in Honolulu, HI

*Released April 27*

Transcript:

Interview of Secretary of State George P. Shultz by CBS News "Face the Nation"

*Released April 28*

Statement:

Productivity for the first quarter of 1986—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released April 29*

Statement:

Single-family home sales and the leading economic indicators for March—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Advance text:

Remarks on arrival at Andersen Air Force Base in Guam

*Released May 1*

Advance text:

Address to the ministerial meeting of the Association of South East Asian Nations (ASEAN) in Bali, Indonesia

Transcript:

Press briefing on the President's visit to Bali, Indonesia, and his meeting with ASEAN Foreign Ministers—by Secretary of State George P. Shultz

*Released May 1—Continued*

Advance text:

Toast at a dinner for the President and the ASEAN Foreign Ministers in Bali, Indonesia

Transcript:

Interview of Secretary of State George P. Shultz by NBC News "Today"

*Released May 2*

Statement:

Unemployment rate for April—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released May 3*

Transcript:

Press briefing on the Tokyo Economic Summit—by Secretary of State George P. Shultz and Secretary of the Treasury James A. Baker III

*Released May 4*

Transcript:

Interview of Larry M. Speakes, Principal Deputy Press Secretary to the President, by Cable News Network

Transcript:

Interview of Secretary of State George P. Shultz by ABC News "This Week With David Brinkley"

*Released May 5*

Transcript:

Interview of Donald T. Regan, Assistant to the President and Chief of Staff, by NBC News "Meet the Press"

Transcript:

Interview of Secretary of the Treasury James A. Baker III by CBS News "Face the Nation"

Transcript:

Press briefing on statements agreed to at the Tokyo Economic Summit—by Secretary of State George P. Shultz and Secretary of the Treasury James A. Baker III

Transcript:

Interview of Secretary of State George P. Shultz by CBS News "Morning News"

Transcript:

Interview of Secretary of the Treasury James A. Baker III by NBC News "Today"

*Appendix C / Administration of Ronald Reagan, 1986*

*Released May 6*

Transcript:  
Press briefing on the Tokyo Economic Summit—  
by Secretary of the Treasury James A. Baker III

Transcript:  
Interview of Secretary of State George P. Shultz  
by Cable News Network

Transcript:  
Interview of Donald T. Regan, Assistant to the  
President and Chief of Staff, by NBC News  
"Today"

Transcript:  
Interview of Donald T. Regan, Assistant to the  
President and Chief of Staff, by Cable News Net-  
work

*Released May 7*

Advance text:  
Remarks on returning from the trip to Indonesia  
and Japan

*Released May 13*

Announcement:  
Nomination of John E. Conway to be United  
States District Judge for the District of New  
Mexico

Announcement:  
Nomination of Edwin M. Kosik to be United  
States District Judge for the Middle District of  
Pennsylvania

Announcement:  
Nomination of William D. Stiehl to be United  
States District Judge for the Southern District of  
Illinois

Announcement:  
Nomination of the following individuals to be  
United States Attorneys: Jerome G. Arnold, for  
the District of Minnesota; Hinton R. Pierce, for  
the Southern District of Georgia; Joe B. Brown,  
for the Middle District of Tennessee; Andrew J.  
Maloney, for the Eastern District of New York;  
John Perry Alderman, for the Western District of  
Virginia; Joseph P. Stadtmueller, for the Eastern  
District of Wisconsin; James G. Richmond, for the  
Northern District of Indiana; J. Michael Fitzhugh,  
for the Western District of Arkansas; Brent D.  
Ward, for the District of Utah; and Leon B.  
Kellner, for the Southern District of Florida

Announcement:  
Nomination of the following individuals to be  
United States Marshals: Denny L. Sampson, for  
the District of Nevada; Donald W. Wyatt, for the

*Released May 13—Continued*  
District of Rhode Island; and Warren D. Stump,  
for the Southern District of Iowa

*Released May 14*

Fact sheet:  
Notification of Three Mile Island accident

*Released May 15*

Statement:  
Industrial production for April—by Larry M.  
Speakes, Principal Deputy Press Secretary to the  
President

*Released May 16*

Statement:  
Producer Price Index, housing starts, and build-  
ing permits for April—by Larry M. Speakes, Prin-  
cipal Deputy Secretary to the President

*Released May 19*

Fact sheet:  
Presidential "E" and "E Star" Awards

Announcement:  
Nomination of John W. Roberts to be the United  
States Marshal for the District of Arizona

*Released May 20*

Fact sheet:  
Machine tool imports

Statement:  
Gross national product figures for the first quar-  
ter—by Larry M. Speakes, Principal Deputy  
Press Secretary to the President

Transcript:  
Press briefing on machine tool imports—by Sec-  
retary of Commerce Malcolm Baldrige

*Released May 21*

Statement:  
Consumer prices, personal income, and personal  
consumption figures for April—by Larry M.  
Speakes, Principal Deputy Press Secretary to the  
President

Announcement:  
Nomination of William H. Ewing, Jr., to be  
United States Attorney for the Western District  
of Tennessee

Advance text:  
Remarks at a Republican Senate/House fundrais-  
ing dinner

*Administration of Ronald Reagan, 1986 / Appendix C*

*Released May 22*

Advance text:  
Remarks to the American Retail Federation

*Released May 27*

Fact sheet:  
U.S. interim restraint policy: Responding to Soviet arms control violations

*Released May 29*

Statement:  
Indexes of coincident and leading economic indicators—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Advance text:  
Remarks to the National Association of Manufacturers

Fact sheet:  
Remarks to the National Association of Manufacturers on U.S. trade policy

Advance text:  
Remarks at the veterans of OSS dinner

*Released May 30*

Advance text:  
Remarks on tort reform at the Chamber of Commerce of the United States

*Released June 2*

Announcement:  
Nomination of William W. Wilkins, Jr., to be United States Circuit Judge for the Fourth Circuit

Announcement:  
Nomination of D. Lowell Jensen to be United States District Judge for the Northern District of California

Announcement:  
Nomination of Karen LeCraft Henderson to be United States District Judge for the District of South Carolina

*Released June 3*

Fact sheet:  
Summary of those strategic modernization programs the President has asked Congress to exempt from defense cuts

*Released June 4*

Advance text:  
Remarks to Marine Corps basic training graduates in Parris Island, SC

*Released June 4—Continued*

Advance text:  
Remarks at a Senate campaign fundraiser for Representative James T. Broyhill in Greensboro, NC

*Released June 5*

Transcript:  
Press briefing following the President's breakfast for Members of the Senate—by Senate Majority Leader Robert Dole, Senate Minority Leader Robert C. Byrd, and Senators Russell B. Long of Louisiana and Robert Packwood of Oregon

*Released June 6*

Statement:  
Unemployment rate for May—by Larry M. Speakes, Principal Deputy Press Secretary to the President

Announcement:  
Nomination of Charles R. Simpson III to be United States District Judge for the Western District of Kentucky

Transcript:  
Press briefing on domestic natural energy resources—by J. Steven Griles, Assistant Secretary of the Interior for Land and Minerals Management

*Released June 9*

Transcript:  
Press briefing on the final report of the Presidential Commission on the Space Shuttle Challenger Accident—by Chairman William P. Rogers

Fact sheet:  
Conference on Confidence and Security Building Measures and Disarmament in Europe

Advance text:  
Remarks to the Center for Strategic and International Studies conference

*Released June 11*

Advance text:  
Remarks to participants in the Young Astronaut Program

*Released June 12*

Transcript:  
Press briefing on a meeting with the President to present an interim report on findings of the President's Blue Ribbon Commission on Defense Management—by David Packard, Chairman of the Commission

*Appendix C / Administration of Ronald Reagan, 1986*

*Released June 13*

Statement:  
Producer Price Index figures for May—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released June 17*

Statement by the President:  
Resignation of U.S. Supreme Court Chief Justice Warren E. Burger and the nominations of William H. Rehnquist to be Chief Justice and Antonin Scalia to be Associate Justice (as read to reporters in the Briefing Room at the White House)

Statement:  
Housing starts and building permits for May—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released June 18*

Transcript:  
Press briefing on a meeting with the President on the situation in Nicaragua—by *contra* leaders Alfonso Robelo, Arturo Cruz, and Adolpho Calero

Fact sheet:  
Saudi AWACS certification

Statement:  
Estimated real gross national product growth for the first quarter—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released June 19*

Advance text:  
Remarks to the graduating class of Glassboro High School in Glassboro, NJ

*Released June 20*

Statement:  
Consumer Price Index for May—by Larry M. Speakes, Principal Deputy Press Secretary to the President

*Released June 20—Continued*

Statement:  
President's postoperative examination at Bethesda Naval Hospital—by Dr. T. Burton Smith, Physician to the President

*Released June 21*

Statement:  
Final laboratory evaluation of intestinal polyps removed during the President's routine postoperative examination at Bethesda Naval Hospital on June 20—by Dr. T. Burton Smith, Physician to the President

Announcement:  
Submission to the President of the report of Emergency Board No. 209 to investigate a railroad labor dispute

*Released June 24*

Advance text:  
Address to the Nation on United States assistance for the Nicaraguan democratic resistance

*Released June 25*

Advance text:  
Remarks at a Senate campaign fundraiser for Jim Santini in Las Vegas, NV

*Released June 26*

Announcement:  
Nomination of John H. Suda to be an Associate Judge of the Superior Court of the District of Columbia

*Released June 27*

Announcement:  
Submission to the President of the report of Emergency Board No. 210 to investigate a railroad labor dispute

## *Appendix D—Acts Approved by the President*

### *Approved January 2*

S. 1840 / Public Law 99-234  
Federal Civilian Employee and Contractor  
Travel Expenses Act of 1985

### *Approved January 9*

H.R. 2651 / Public Law 99-235  
To amend section 504 of the Alaska National Interest Lands Conservation Act to promote the development of mineral wealth in Alaska

H.R. 3931 / Public Law 99-236  
To designate the General Services Administration building known as the "United States Appraiser's Stores Building" in Boston, Massachusetts as the "Captain John Foster Williams Coast Guard Building"

### *Approved January 13*

H.J. Res. 440 / Public Law 99-237  
To designate the week of December 1, 1985, through December 7, 1985, as "National Autism Week"

H.R. 1538 / Public Law 99-238  
Veterans' Compensation Rate Increase and Job Training Amendments of 1985

### *Approved January 14*

H.J. Res. 187 / Public Law 99-239  
Compact of Free Association Act of 1985

### *Approved January 15*

H.R. 1083 / Public Law 99-240  
Low-Level Radioactive Waste Policy Act

### *Approved January 30*

S. 2013 / Public Law 99-241  
To delay the referendum with respect to the 1986 through 1988 crops of Flue-cured tobacco and to delay the proclamation of national marketing quotas for the 1986 through 1988 crops of Burley tobacco

### *Approved February 7*

H.R. 4027 / Public Law 99-242  
Extending the waiver authority of the District of Columbia Revenue Bond Act of 1985 to certain

*Approved February 7—Continued*  
revenue bond acts of the District of Columbia, and for other purposes

### *Approved February 10*

H.J. Res. 520 / Public Law 99-243  
Making an urgent supplemental appropriation for the fiscal year ending September 30, 1986, for the Department of Agriculture

### *Approved February 11*

S.J. Res. 74 / Public Law 99-244  
To provide for the designation of the month of February, 1986, as "National Black (Afro-American) History Month"

S.J. Res. 219 / Public Law 99-245  
To designate the week of February 9, 1986, through February 15, 1986, as "National Humanities Week, 1986"

S.J. Res. 234 / Public Law 99-246  
To designate the week of February 9, 1986, through February 15, 1986, as "National Burn Awareness Week"

### *Approved February 12*

S. 1831 / Public Law 99-247  
To amend the Arms Export Control Act to require that congressional vetoes of certain arms export proposals be enacted into law

### *Approved February 18*

S.J. Res. 150 / Public Law 99-248  
To designate the month of March 1986 as "National Hemophilia Month"

S.J. Res. 231 / Public Law 99-249  
To designate the period commencing January 1, 1986, and ending December 31, 1986, as the "Centennial Year of the Gasoline Powered Automobile"

### *Approved February 27*

H.R. 1185 / Public Law 99-250  
To amend the Act establishing the Petrified Forest National Park

## *Appendix D / Administration of Ronald Reagan, 1986*

### *Approved February 27—Continued*

H.R. 4061 / Public Law 99-251

Federal Employees Benefits Improvement Act of 1986

S. 1574 / Public Law 99-252

Comprehensive Smokeless Tobacco Health Education Act of 1986

### *Approved February 28*

S. 2036 / Public Law 99-253

To make certain technical corrections to amendments made by the Food Security Act of 1985, and for other purposes

### *Approved March 4*

H.J. Res. 499 / Public Law 99-254

Designating the week beginning March 2, 1986, as "Women's History Week"

### *Approved March 7*

H.R. 4130 / Public Law 99-255

To establish, for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986

### *Approved March 10*

H.J. Res. 409 / Public Law 99-256

To direct the President to issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day"

H.J. Res. 371 / Public Law 99-257

To designate March 16, 1986, as "Freedom of Information Day"

### *Approved March 19*

H.R. 3851 / Public Law 99-258

To amend section 901 of the Alaska National Interest Lands Conservation Act

H.J. Res. 345 / Public Law 99-259

To designate March 1986, as "Music in Our Schools Month"

### *Approved March 20*

H.R. 1614 / Public Law 99-260

Food Security Improvements Act of 1986

### *Approved March 21*

S.J. Res. 205 / Public Law 99-261

To designate March 21, 1986, as "National Energy Education Day"

### *Approved March 21—Continued*

S.J. Res. 272 / Public Law 99-262

To authorize and request the President to issue a proclamation designating March 21, 1986, as "Afghanistan Day", a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces

### *Approved March 24*

H.J. Res. 534 / Public Law 99-263

Making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes

S. 1396 / Public Law 99-264

White Earth Reservation Land Settlement Act of 1985

### *Approved March 25*

S.J. Res. 254 / Public Law 99-265

To designate the year of 1987 as the "National Year of Thanksgiving"

### *Approved March 27*

H.R. 4399 / Public Law 99-266

To designate the Federal building located in Jamaica, Queens, New York, as the "Joseph P. Adabbo Federal Building"

H.J. Res. 563 / Public Law 99-267

To provide for the temporary extension of certain programs relating to housing and community development, and for other purposes

S.J. Res. 226 / Public Law 99-268

To designate the week of April 6, 1986, through April 12, 1986, as "World Health Week", and to designate April 7, 1986, as "World Health Day"

### *Approved April 1*

H.R. 2453 / Public Law 99-269

Older Americans Act Amendments of 1986

H.J. Res. 573 / Public Law 99-270

Making a repayable advance to the Hazardous Substance Response Trust Fund

S.J. Res. 262 / Public Law 99-271

To authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week"

### *Approved April 7*

H.R. 3128 / Public Law 99-272

Consolidated Omnibus Budget Reconciliation Act of 1985



*Approved April 9*

S.J. Res. 52 / Public Law 99-273  
To designate the month of April 1986 as "National School Library Month"

*Approved April 17*

S.J. Res. 261 / Public Law 99-274  
To designate the week of April 14, 1986 through April 20, 1986, as "National Mathematics Awareness Week"

*Approved April 18*

S.J. Res. 136 / Public Law 99-275  
To authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week"

*Approved April 22*

H.J. Res. 582 / Public Law 99-276  
To designate April 20, 1986, as "Education Day U.S.A."

*Approved April 23*

S.J. Res. 315 / Public Law 99-277  
Designating May 1986 as "Older Americans Month"

*Approved April 24*

H.R. 4551 / Public Law 99-278  
To extend for 3 months the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982

H.J. Res. 599 / Public Law 99-279  
Commemorating the twenty-fifth anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny

S. 1282 / Public Law 99-280  
Health Services Amendments Act of 1986

S.J. Res. 286 / Public Law 99-281  
To designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week"

S.J. Res. 303 / Public Law 99-282  
To designate April 1986, as "Fair Housing Month"

*Approved May 1*

S. 1684 / Public Law 99-283  
To declare that the United States holds certain Chilocco Indian School lands in trust for the Kaw,

*Approved May 1—Continued*  
Otoe-Missouria, Pawnee, Ponca, and Tonkawa Indian Tribes of Oklahoma

S. 2319 / Public Law 99-284  
To provide for the continuation of the Martin Luther King, Jr. Federal Holiday Commission until 1989, and for other purposes

S.J. Res. 214 / Public Law 99-285  
Providing for reappointment of Carlisle H. Hummelsine as a citizen regent of the Board of Regents of the Smithsonian Institution

S.J. Res. 215 / Public Law 99-286  
Providing for reappointment of William G. Bowen as a citizen regent of the Board of Regents of the Smithsonian Institution

S.J. Res. 275 / Public Law 99-287  
Designating May 11 through May 17, 1986, as "Jewish Heritage Week"

S.J. Res. 296 / Public Law 99-288  
To designate October 16, 1986, as "World Food Day"

*Approved May 2*

H.R. 4602 / Public Law 99-289  
To authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes

H.J. Res. 220 / Public Law 99-290  
To reaffirm Congress' recognition of the vital role played by members of the National Guard and Reserve in the national defense, and for other purposes

*Approved May 7*

H.J. Res. 544 / Public Law 99-291  
To designate May 7, 1986, as National Barrier Awareness Day

*Approved May 8*

H.J. Res. 569 / Public Law 99-292  
To designate May 8, 1986, as "Naval Aviation Day"

S.J. Res. 264 / Public Law 99-293  
Designating April 28, 1986, as "National Nursing Home Residents Day"

## *Appendix D / Administration of Ronald Reagan, 1986*

### *Approved May 12*

H.R. 1116 / Public Law 99-294  
Garrison Diversion Unit Reformulation Act of 1986

S. 1952 / Public Law 99-295  
Young Astronaut Program Medal Act

S.J. Res. 187 / Public Law 99-296  
Designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a National Memorial to Patrick Henry

S.J. Res. 285 / Public Law 99-297  
To designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week of 1986"

### *Approved May 13*

S. 2308 / Public Law 99-298  
To authorize the President of the United States to award congressional gold medals to Natan (Anatoly) and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals

S.J. Res. 293 / Public Law 99-299  
To designate the month of May 1986 as "National Child Safety Month"

### *Approved May 14*

H.R. 4022 / Public Law 99-300  
To release restrictions on certain property located in Calcasieu Parish, Louisiana, and for other purposes

S.J. Res. 281 / Public Law 99-301  
To designate the week of May 11 through May 17, 1986, as "Senior Center Week"

S.J. Res. 284 / Public Law 99-302  
To designate the month of May 1986 as "Better Hearing and Speech Month"

### *Approved May 15*

S. 1818 / Public Law 99-303  
To amend section 1153 of title 18, United States Code, to make felonious sexual molestation of a minor an offense within Indian country

S.J. Res. 289 / Public Law 99-304  
To designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee

### *Approved May 15—Continued*

S. 381 / Private Law 99-1  
For the relief of Mishleen Earle

### *Approved May 19*

S.J. Res. 288 / Public Law 99-305  
To designate the month of May 1986, as "National Birds of Prey Month"

S.J. Res. 324 / Public Law 99-306  
To designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week"

H.R. 739 / Public Law 99-307  
To make miscellaneous changes in laws affecting the United States Coast Guard, and for other purposes

S. 49 / Public Law 99-308  
Firearms Owners' Protection Act

### *Approved May 20*

S.J. Res. 337 / Public Law 99-309  
Designating May 18-24, as "Just Say No to Drugs Week"

H.J. Res. 427 / Public Law 99-310  
Designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week"

H.R. 1207 / Public Law 99-311  
To award a special gold medal to the family of Harry Chapin

S.J. Res. 247 / Public Law 99-312  
To designate the week of June 1 through June 7, 1986, as "National Theatre Week"

S.J. Res. 251 / Public Law 99-313  
To designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986"

S.J. Res. 323 / Public Law 99-314  
To designate May 21, 1986, as "National Andrei Sakharov Day"

H.R. 737 / Private Law 99-2  
For the relief of Ms. Chang Ai Bae

### *Approved May 21*

H.R. 4767 / Public Law 99-315  
To deauthorize the project for improvements at Racine Harbor, Wisconsin

*Approved May 21—Continued*

S.J. Res. 267 / Public Law 99-316

Designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week"

*Approved May 23*

H.J. Res. 234 / Public Law 99-317

Designating the week of May 18, 1986, through May 24, 1986, as "National Food Bank Week"

S. 8 / Public Law 99-318

To grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 974 / Public Law 99-319

Protection and Advocacy for Mentally Ill Individuals Act of 1986

S. 2329 / Public Law 99-320

To make technical corrections in the higher education title of the Consolidated Omnibus Budget Reconciliation Act of 1985

S.J. Res. 246 / Public Law 99-321

To designate May 25, 1986 as "Hands Across America Day", for the purpose of helping people help themselves, and commending United Support of Artists for Africa and all participants for their efforts toward combating domestic hunger with a four thousand mile human chain from coast to coast

S. 2416 / Public Law 99-322

To revise further the limitation applicable to chapter 37 of title 38, United States Code, for fiscal year 1986, for the purpose of implementing any order issued by the President for such fiscal year under any law providing for the sequestration of new loan guarantee commitments, and for other purposes

*Approved May 27*

H.R. 1349 / Public Law 99-323

Presidential Libraries Act of 1986

S.J. Res. 266 / Public Law 99-324

To authorize and request the President to designate the month of June 1986 as "Youth Suicide Prevention Month"

*Approved May 28*

H.R. 4382 / Public Law 99-325

To require the Architect of the Capitol to place a plaque at the original site of Providence Hospital

H.J. Res. 492 / Public Law 99-326

To designate the week beginning on June 1, 1986, as "National Neighborhood Housing Services Week"

*Approved May 28—Continued*

H.J. Res. 526 / Public Law 99-327

To designate the week of May 25, 1986, through May 31, 1986, as "Critical Care Week"

H.J. Res. 613 / Public Law 99-328

Allowing qualified persons representing all the States to be naturalized on Ellis Island on July 3 or 4, 1986

S.J. Res. 271 / Public Law 99-329

Designating "Baltic Freedom Day"

*Approved May 29*

S. 173 / Public Law 99-330

Tehran American School Claim Act of 1985

*Approved May 31*

S. 2460 / Public Law 99-331

To extend until June 30, 1986, the date on which certain limitations become effective with respect to obligations that may be made from the Military Personnel accounts of the Department of Defense for fiscal year 1986

*Approved June 5*

H.J. Res. 636 / Public Law 99-332

Designating June 26, 1986, as "National Interstate Highway Day"

S.J. Res. 344 / Public Law 99-333

To designate the week beginning June 8, 1986, as "National Children's Accident Prevention Week"

*Approved June 6*

S. 2179 / Public Law 99-334

To amend the Communications Act of 1934 to provide for reduction in the term of office members of the Federal Communications Commission, and for other purposes

H.R. 2672 / Public Law 99-335

Federal Employees' Retirement System Act of 1986

*Approved June 19*

H.R. 3570 / Public Law 99-336

Judicial Improvements Act of 1985

H.J. Res. 131 / Public Law 99-337

To designate the week beginning June 15, 1986, as "National Safety in the Workplace Week"

H.J. Res. 382 / Public Law 99-338

To authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project

*Appendix D / Administration of Ronald Reagan, 1986*

*Approved June 19—Continued*

S. 124 / Public Law 99-339

Safe Drinking Water Act Amendments of 1986

S.J. Res. 220 / Public Law 99-340

To provide for the designation of September 19, 1986, as "National P.O.W./M.I.A. Recognition Day"

S.J. Res. 310 / Public Law 99-341

To proclaim June 15, 1986, through June 21, 1986, as "National Agricultural Export Week"

S.J. Res. 347 / Public Law 99-342

To designate the week beginning June 22, 1986, as "National Homelessness Awareness Week"

S. 1027 / Private Law 99-3

For the relief of Kenneth David Franklin

*Approved June 23*

H.J. Res. 479 / Public Law 99-343

To designate October 8, 1986, as "National Fire Fighters Day"

S.J. Res. 321 / Public Law 99-344

To designate October 1986 as "National Down Syndrome Month"

*Approved June 24*

H.J. Res. 652 / Public Law 99-345

To provide for the temporary extension of certain programs relating to housing and community development, and for other purposes

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